

it does a disservice to the labor movement by clouding the issue.

The unions need to do some soul-searching, their policies may need a complete reevaluation, and their objectives may need to be reappraised and realigned in keeping with the changed conditions inherent in our modern, space-age society. To blame right-to-work laws for their own failure is indulging in scapegoatism and serves no useful purpose.

#### CONCLUSION

Mr. President, in approaching the matter of the repeal of section 14(b) of the Taft-Hartley Act, I felt it was my duty to the people of Colorado to put aside any feelings I had, either pro or con, before launching the exhaustive and intensive review of the legislative histories of labor legislation of major importance. This I have done. Then, while maintaining an open mind, I attempted to determine the true legislative intent behind our major labor legislation. After having done this, I evaluated existing labor legislation in terms of its present application to the current labor-management picture, keeping in mind the legislative intent and the objectives Congress sought to achieve.

Obviously, the first and foremost objective was to provide for the public safety, since this is the primary responsibility of government. The second objective was to protect the public's welfare. The third objective was to protect the constitutional rights of the individual. And the fourth objective was to establish machinery whereby disputes which threatened any of the three objectives just enumerated could be resolved peacefully and lawfully. These four major objectives have largely been achieved by the labor legislation enacted by Congress. From my review of the legislative histories of labor legislation of major importance, my evaluation of its application to the current labor-management situation, and after carefully weighing the various arguments, both pro and con, I have become convinced that the retention of section 14(b) of the Taft-Hartley Act is in keeping with the objectives Congress sought to achieve.

The repeal of section 14(b) of the Taft-Hartley Act is at cross-purposes with those objectives because it would tend to endanger the public's welfare by encouraging monopolistic practices, and it would deny the individual his constitutional right not to associate. Consequently, Senate passage of H.R. 77, which would repeal section 14(b) of the Taft-Hartley Act, is not in the national interest, and, in my opinion, it is not in the long-range interests of the labor movement. Therefore, because of this and the many public policy considerations I have discussed here today, and because I consider myself to be a friend of the individual workman, I must oppose H.R. 77.

#### RECESS UNTIL 10 A.M. MONDAY

Mr. ALLOTT. Mr. President, I ask unanimous consent that the Senate may stand in recess under the order previously entered.

The PRESIDING OFFICER (Mr. MORSE in the chair). Is there objection?

There being no objection (at 2 o'clock and 34 minutes p.m.), the Senate took a recess until Monday, January 31, 1966, at 10 o'clock a.m.

#### CONFIRMATIONS

Executive nominations confirmed by the Senate January 29 (legislative day of January 26), 1966:

##### NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

Robert C. Seamans, Jr., of Massachusetts, to be Deputy Administrator of the National Aeronautics and Space Administration, to which office he was appointed during the last recess of the Senate.

##### DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Harold Howe II, of North Carolina, to be Commissioner of Education, to which office he was appointed during the last recess of the Senate.

##### OFFICE OF ECONOMIC OPPORTUNITY

Franklyn A. Johnson, of California, to be an Assistant Director of the Office of Economic Opportunity.

##### NATIONAL LIBRARY OF MEDICINE, PUBLIC HEALTH SERVICE

Dr. William B. Bean, of Iowa, to be a member of the Board of Regents, National Library of Medicine, Public Health Service, for a term expiring August 3, 1969, to which office he was appointed during the last recess of the Senate.

Dr. Stewart G. Wolf, Jr., of Oklahoma, to be a member of the Board of Regents, National Library of Medicine, Public Health Service, for a term expiring August 3, 1969, to which office he was appointed during the last recess of the Senate.

## HOUSE OF REPRESENTATIVES

MONDAY, JANUARY 31, 1966

The House met at 12 o'clock noon.

The Reverend H. Dale Crockett, Fountain Memorial Baptist Church, Washington, D.C., offered the following prayer:

*Meditation: Philippians 4: 8: Whatsoever things are true, whatsoever things are honest, whatsoever things are just, whatsoever things are pure, whatsoever things are lovely, whatsoever things are of good report; if there be any virtue, and if there be any praise, think on these things.*

Our Father, we lift up our hearts in gratitude to Thee who hast sustained us in past days of crisis and peril. Humbly we beseech Thee to open our minds this day unto justice, goodness, charity, and truth.

May the Members of this legislative body be blessed by the resources of Thy grace. In this day fraught with confusion, let all those in authority perceive with clarity and act with wisdom to the end that peace may reign among men. Amen.

#### THE JOURNAL

The Journal of the proceedings of Thursday, January 27, 1966, was read and approved.

#### MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Ratchford, one of his secretaries.

#### THE PRESIDENT'S DECISION TO RENEW BOMBING IN VIETNAM

Mr. McCORMACK. Mr. Speaker, the renewal of the bombing is justified under the circumstances. I support the decision made by President Johnson. It is necessary as a means of preserving American lives and those of our allies who are fighting aggression in South Vietnam. It is also necessary for a future world of peace to stop now the Communist militant aggression that exists. If firm leadership in Europe had existed in the 1930's against Hitler, World War II might well have been averted.

For 37 days there has been suspension in the bombing of North Vietnam. There has not been the slightest desire or intent on the part of Hanoi to enter into negotiations. Instead, all that has been received is arrogant and defiant statements and actions on the part of the enemy of freedom. It is apparent that Peiping is controlling and directing the North Vietnamese leadership.

The President has clearly stated on any number of occasions his willingness to enter into negotiations to bring about an honorable and just peace. The record is clear justifying the decision made by President Johnson to renew the bombing. This decision is for the best interests of our soldiers and our allies who are fighting for peace, and is in the national interest of our country. All Americans should support President Johnson in his decision.

#### THE RENEWED BOMBING OF NORTH VIETNAM

Mr. BOGGS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BOGGS. Mr. Speaker, this morning the U.S. Air Force bombed again selected targets in North Vietnam. Later this morning the President of the United States set forth why this was necessary. He also announced that in his relentless pursuit for a just and honorable peace, the matter would be submitted today, or as soon as feasible, by Ambassador Goldberg, to the Security Council of the United Nations.

Mr. Speaker, I think the RECORD should show that the Government of the United States has pursued every honorable means to bring this conflict to the conference table. Last year, last spring, the statement was made in many places that if we would simply stop bombing, that the matter would be brought to the conference table. Thereupon, the President of the United States made an historic address at Johns Hopkins University in April 1965. The bombing then stopped for almost a week without any

result. The word came back then that the period was not long enough. So, for the past 37 days not one bomb fell on any military target in North Vietnam, to the extent that our military command complained that our men were there with their arms literally tied behind their backs. During that period Ambassador Harriman, Ambassador Goldberg, Secretary Rusk, Vice President HUMPHREY, and many other men of good will sought again by every conceivable device to bring this matter to the conference table.

On Saturday last Hanoi announced again with cynicism that the only people we could confer with would be the Vietcong—again indicating that any desire for honorable peace was the last thing in their minds.

So, Mr. Speaker, I think the United States and the world understands who wants peace and who wants war. I am convinced that the vast majority of the people of the United States on both sides of the aisle support the action of the President of the United States.

#### STATEMENT BY THE PRESIDENT ON BOMBING OF NORTH VIETNAM

Mr. BOGGS. Mr. Speaker, I ask unanimous consent to have printed in the RECORD at this point a statement made this morning by the President of the United States.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

THE WHITE HOUSE,  
January 31, 1966.

MY FELLOW AMERICANS: For 37 days, no bombs fell on North Vietnam. During that time we have made a most intense and determined effort to enlist the help and support of all the world to persuade the government in Hanoi that peace is better than war, that talking is better than fighting, and that the road to peace is open. Our effort has met with understanding and support throughout most of the world—but not in Hanoi and Peiping. From those two capitals have come only denunciation and rejection.

In these 37 days, the efforts of our allies have been rebuffed. The efforts of neutral nations have come to nothing. We have sought without success to learn of any response to efforts made by the governments of Eastern Europe. There has been no answer to the enlightened efforts of the Vatican. Our own direct private approaches have been in vain. The answer of Hanoi to all is the answer that was published 3 days ago—they persist in aggression, and they insist on the surrender of South Vietnam to communism.

It is plain that there is no readiness to talk—no readiness for peace—in that regime today.

And what is plain in words is also plain in acts. Throughout these 37 days—even at moments of truce—there has been continued violence against the people of South Vietnam, against their government, against their soldiers, and against our own American forces.

We do not regret the pause in the bombing. We yield to none in our determination to seek peace. We have given a full and decent respect to the opinions of those who thought that such a pause might give new hope for peace. Some said 10 days might do it. Others said 20. Now we have paused for twice the time suggested by some who urged it. Now the world knows more clearly than

ever before who insists on aggression and who works for peace.

The Vietnamese, American, and allied troops that are engaged in South Vietnam—with increasing strength and increasing success—want peace, I am sure, as much as any of us here at home. But while there is no peace, they are entitled to the full support of American strength and American determination. We will give both.

As constitutional Commander in Chief I have—as I must—given proper weight to the judgment of those responsible for counseling with me: the Secretary of State, the Secretary of Defense, my national security adviser, and America's professional military men represented by the Joint Chiefs of Staff. These advisers tell me that if continued immunity is given to all that supports North Vietnam aggression, the cost in lives—Vietnamese, American, and allied—will only be greatly increased. In the light of the words and actions of the government in Hanoi, it is our clear duty to do what we can to limit these costs.

So on this Monday morning in Vietnam, at my direction—after consultation and agreement with the Government of South Vietnam—U.S. aircraft have resumed action in North Vietnam. They struck lines of supply which support the continuing movement of men and arms against the people and Government of South Vietnam.

Our air strikes on North Vietnam from the beginning have been aimed at military targets and controlled with great care. Those who direct and supply the aggression have no claim to immunity from military reply.

The end of the pause does not mean the end of our own pursuit of peace. That pursuit will be as determined and unrelenting as the pressure of our military strength on the field of battle. In our continuing pursuit of peace, I have instructed Ambassador Goldberg to ask for an immediate meeting of the United Nations Security Council. He will present a full report on the situation in Vietnam and a resolution which can open the way to the conference table. This report and this resolution will be responsive to the spirit of the renewed appeal of Pope Paul; that appeal has our full sympathy.

I have asked Secretary Rusk to meet with representatives of the press later this morning, to give to the country and to the world a comprehensive account of the diplomatic effort conducted in these last 5 weeks in our continuing policy of peace and freedom for South Vietnam.

#### REQUEST OF AMBASSADOR GOLDBERG TO PRESIDENT OF THE U.N. SECURITY COUNCIL FOR MEETING OF THAT COUNCIL

Mr. BOGGS. Mr. Speaker, I ask unanimous consent to have printed at this point in the RECORD a letter from Arthur J. Goldberg, U.S. Ambassador to the United Nations, to the President of the United Nations Security Council, dated January 31, 1966.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

JANUARY 31, 1966.

DEAR MR. PRESIDENT: I have the honor to request that an urgent meeting of the Security Council be called promptly to consider the situation in Vietnam.

As you know, the U.S. Government has, time and time again, patiently and tirelessly sought a peaceful settlement of this conflict on the basis of unconditional negotiations and the Geneva accords of 1954. We

have done so both inside and outside the United Nations.

In President Johnson's letter of July 28, 1965, to the Secretary General, in my letter of July 30, 1965, to the President of the Security Council, and in my letter of January 4, 1966, to the Secretary General, we appealed for whatever help in ending the conflict the Security Council and its members or any other organ of the United Nations might be able to give. We have also been in constant touch with the Secretary General in order to keep him fully informed and to seek his counsel and assistance. A great number of U.N. members, acting jointly or separately, have with our earnest encouragement sought to find a means of moving the conflict from the battlefield to the conference table.

As you are also aware, because my Government was advised by many others that a pause in the bombing of North Vietnam might contribute to the acceptance by its government of our offer of unconditional negotiations, we did suspend bombing on December 24 and continued that suspension for some 37 days. At the same time, President Johnson dispatched several high-ranking representatives to explain to His Holiness the Pope and to the chiefs of state or heads of government of a number of states our most earnest desire to end the conflict peacefully and promptly. Our views were set forth in 14 points which were communicated to a very large number of governments and later published and which were summarized in the third paragraph of my letter of January 4, 1966, to the Secretary General.

I should like to repeat that summary to you as follows:

"That the United States is prepared for discussions or negotiations without any prior conditions whatsoever or on the basis of the Geneva accords of 1954 and 1962, that a reciprocal reduction of hostilities could be envisaged and that a cease-fire might be the first order of business in any discussions or negotiations, that the United States remains prepared to withdraw its forces from South Vietnam as soon as South Vietnam is in a position to determine its own future without external interference, that the United States desires no continuing military presence or bases in Vietnam, that the future political structure in South Vietnam should be determined by the South Vietnamese people themselves through democratic processes, and that the question of the reunification of the two Vietnams should be decided by the free decision of their two peoples."

Subsequently, the President in his state of the Union address on January 12 reiterated once again our willingness to consider at a conference or in other negotiations any proposals which might be put forward by others. I am authorized to inform the Council that these U.S. views were transmitted both directly and indirectly to the Government of North Vietnam and were received by that Government.

Unhappily, there has been no affirmative response whatsoever from Hanoi to our efforts to bring the conflict to the negotiating table, to which so many governments lent their sympathy and assistance. Instead there have been from Hanoi, and, of course, from Peiping as well, merely the familiar charges that our peace offensive, despite the prolonged bombing pause, was merely a "fraud" and a "swindle" deserving no serious consideration. The most recent response seemed to be that set forth in President Ho Chi Minh's letter to certain heads of state which was broadcast from Hanoi on January 28. In this letter President Ho Chi Minh made quite clear his unwillingness at this time to proceed with unconditional negotiations; on the contrary, he insisted on a number of preconditions which would in effect require the United States to accept Hanoi's solution before

negotiations had even begun. This is obviously unacceptable.

Therefore, Mr. President, my Government has concluded that it should now bring this problem with all its implications for peace formally before the Security Council. We are mindful of the discussions over the past months among the members of the Council as to whether a formal meeting could usefully be held in the context of other efforts then in train. We are also aware that it may not be easy for the Council itself, in view of all the obstacles, to take constructive action on this question. We are firmly convinced, however, that in light of its obligations under the charter to maintain international peace and security and the failure so far of all efforts outside the United Nations to restore peace, the Council should address itself urgently and positively to this situation and exert its most vigorous endeavors and its immense prestige to finding a prompt solution to it.

We hope that the members of the Security Council will agree that our common dedication to peace and our common responsibility for the future of mankind require no less. In this connection, we are mindful of the renewed appeal of His Holiness the Pope only 2 days ago in which he suggested that "an arbitration of the U.N. confined to neutral nations might tomorrow—we would like to hope even today—resolve this terrible question."

Accept, Excellency, the assurance of my highest consideration.

ARTHUR J. GOLDBERG.

#### SECRETARY RUSK'S STATEMENT IN REFERENCE TO PRESIDENT'S EARLIER ANNOUNCEMENT OF THE RESUMPTION OF BOMBING IN NORTH VIETNAM

Mr. BOGGS. Mr. Speaker, I ask unanimous consent to have printed at this point in the Record a statement by Secretary of State Dean Rusk in further reference to the announcement made by the President earlier today.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

DEPARTMENT OF STATE,  
January 31, 1966.

(The following is the State Department's release of Secretary of State Dean Rusk's news conference, which is authorized for direct quotation:)

Secretary Rusk. Earlier this morning President Johnson confirmed that U.S. aircraft have resumed action against the lines of communication which support the continuing movement of men and arms against the people and Government of South Vietnam.

I wish to summarize for you the unprecedented diplomatic effort of the past 40 days—an effort aimed at peace—and the tragically negative response from Hanoi. To understand the full import of the past 40 days you must recall the months and years of unremitting effort by the United States and others to achieve peace in southeast Asia.

We had no assurance at Christmas time that a suspension of the bombing of North Vietnam would move us closer to peace. Hanoi had refused to come to the Security Council of the United Nations in August 1964, in response to an invitation initiated in the Council by the Soviet Union. A call by 17 nonaligned nations for "negotiations without preconditions" had been harshly rejected by Hanoi, as was President Johnson's call for unconditional discussions at Balti-

more last April. A Commonwealth Committee had been rebuffed. The Secretary General of the U.N. had not been permitted to visit Hanoi and Peiping. Suggestions by the President of India were denounced. The machinery of the Geneva conference was paralyzed by Hanoi's recalcitrance. Contacts with Hanoi and Peiping had failed to disclose a serious interest in peace. A pause in the bombing last May had yielded only a polemical rejection.

Nevertheless, the President decided, on the advice of myself and his other senior advisers, and in agreement with the Government of Vietnam to extend the Christmas pause for a further period. He did so because of America's strong preference for peace in southeast Asia, a desire which takes into full account the decades of suffering and violence inflicted upon the people of Vietnam. He did so because a number of governments, including a number of Communist governments, had insisted that a suspension of the bombing would create a situation in which the possibilities of peace could be greatly improved. He did so because there was unnecessary confusion at home and abroad about where the responsibility lies for the absence of peace—or even of discussions or negotiations about the possibility of peace.

Shortly after Christmas, therefore, we were in touch with all the governments of the world, more than 115 of them, as well as with His Holiness the Pope, the Secretary-General of the United Nations, the North Atlantic Council of NATO, the Organization of American States, the Organization of African Unity, and the International Committee of the Red Cross. Six special Presidential envoys visited 34 capitals and personal communications from the President went to the chiefs of government of many more.

Hanoi was informed at an early stage of the suspension of the bombing. They were told that no decision had been made regarding a resumption of bombing and that if Hanoi would reciprocate by making a serious contribution toward peace, it would obviously have a favorable effect on the possibility of further extending the suspension. There was no ultimatum, in word or in fact, but rather an invitation to move toward peace. All governments were reminded of the far-reaching suggestions which the United States had made about the possibilities of peace, suggestions which were summarized in the so-called 14 points. It was made clear that, as far as we were concerned, there could be a conference, less formal discussions, or private and tentative contacts through the most discreet channels.

We know that many governments, including Communist governments, were active during this period and that our own direct and indirect contacts were strongly reinforced from many capitals. We were in touch with most governments several times during this period.

It is with genuine regret that I must report that the response has been negative, harsh and unyielding. Channels which had been opened by us, one after the other, yielded no move toward peace. Throughout the period since Christmas, Hanoi and Peiping denounced our efforts toward peace with a continuing barrage of such epithets as "fraud," "trick," "deceit," "swindle," "hoax," "farce." The negative attitudes of Hanoi and the Liberation Front have been clarified in the last few days in an unmistakable fashion. Ho Chi Minh in letters addressed to a number of heads of state stated: "If the United States really wants peace it must recognize the NFL SV as the sole genuine representative of the people of South Vietnam and engage in negotiations with it." In a statement released just yesterday, the front itself said, "All negotiations with the U.S. imperialists at this moment are entirely useless if they still refuse to withdraw from

South Vietnam their troops and all kinds of war materials."

But they made clear their negative view by deeds as well as words throughout the period of suspension of bombing. Infiltrations of men and material from the North into South Vietnam continued at a high level. Acts of violence in South Vietnam itself continued with relatively minor fluctuations at virtually the same record high levels set in the last quarter of 1965. By these acts they made it entirely clear that their purpose remained what it has been from the beginning; namely, to take over South Vietnam by force.

It has been necessary, therefore, for us to meet our responsibilities to our commitments to South Vietnam and the South Vietnamese people. I joined with other senior advisers to the President to recommend to him that he resume the necessary military action to support the South Vietnamese and allied forces and to meet the aggression from the north.

This does not mean that, as far as we are concerned, the search for peace will stop. Far from it. The President told you this morning that the matter is being presented to the Security Council of the United Nations. I will add that the other processes of diplomacy will continue in full operation, publicly and privately, directly and indirectly, in order that any possibility of peace can be explored and tested.

It is possible that one of the obstacles to peace has been a failure on the part of Hanoi to understand that the United States will in fact meet its commitment. It is not easy for a democracy such as ours to prevent such a basic miscalculation on the part of a totalitarian regime. If they are relying upon a military victory in the south, they must abandon that hope. If they are relying on international opinion to divert the United States from its commitment, they must recognize that the world community does not support their aggression. If they are relying upon domestic differences among us to save their cause, they must understand that that will not occur. The way to shorten this war is to make it very clear to Hanoi that the course upon which they are embarked is futile and that if they are prepared to sit down and talk like reasonable men, answers can be found which will relieve both themselves and their brothers in the south of the violence, of which there has been more than enough.

#### VIETNAM

Mr. MILLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MILLER. Mr. Speaker, I want to congratulate the gentleman from Louisiana and to subscribe fully to the remarks he has just made. It is time that the citizens of this country be counted for or against the action of the President. I, for one, want to be registered in full support of what he has done. The President and his competent advisers are the only ones who know all of the facts. I have never accepted blind political leadership. Every time I have ever run for a new office I have had to buck the so-called organization. But the President is a humanitarian—he is a humanist. He has demonstrated this during the period of time that he has been in office. He knows war and, like the great Franklin

Roosevelt, he can say as I do, "I hate war."

I have never been in battle, but for 4 years after World War I, I worked very closely with disabled veterans as an official of the Veterans' Bureau, the forerunner of the present Veterans' Administration. I think I know something of the problems of war and its cost in human suffering and death. I know there are certain groups in this country—extremists, both ends of the political spectrum, who vigorously challenge what is being done today. They represent a small minority and I am certain that all Americans in this critical hour rally behind the action taken by our great President.

#### POST-KOREAN GI BILL

Mr. TEAGUE of Texas. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. TEAGUE of Texas. Mr. Speaker, for years I have tried to work out a post-Korean GI bill which the administration and all the veterans' groups and everybody could agree on. I have learned that this is an impossible thing. So today I am introducing a bill, a post-Korean GI bill that I hope will become law.

This bill provides a permanent program of educational assistance for individuals serving after January 31, 1955, on the basis of a month of training for each month, or fraction thereof, of service not to exceed 36 calendar months, with the rates for full-time training set at \$100 per month for a single veteran, \$125 for a veteran with one dependent, and \$150 for a veteran with more than one dependent, and proportionate rates for less than full time.

Education must be completed within 8 years from the date of discharge.

Educational provisions effective June 1, 1966; other provisions are effective on the date of enactment.

Individuals in the Armed Forces may receive the educational benefits of this act if their service is such as to permit.

Mr. Speaker, the bill also provides for guaranteed and direct loans.

The bill also has some miscellaneous provisions as follows:

It extends presumptions on chronic and tropical diseases, because about 40 percent of the casualties in Vietnam happen because of such diseases.

It grants medical care for non-service-connected veterans.

It provides job counseling and job placement assistance.

It authorizes a flag to drape the casket of veterans of this service.

It grants preference in Federal employment.

And, finally, it amends the Soldiers' and Sailors' Civil Relief Act to increase the protection of individuals who are renting homes when they are called into service from the \$80 monthly rental to \$150.

Mr. Speaker, our committee will meet tomorrow and I hope the committee will

report out a bill and that it will be passed by both the House and the Senate.

#### U.S. POLICY IN VIETNAM

Mr. COLMER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. COLMER. Mr. Speaker, I frequently find it most difficult, if not impossible, to follow President Johnson on some of his programs of a domestic nature. But on this matter of the war in Vietnam that is so vital to America, to the free world, and particularly to those boys whom we have sent over there to fight in the jungles and the rice paddies, the President could have done nothing less than he did when he announced today the resumption of bombing.

Ever since the cessation of hostilities in World War II, mine has been one of those humble voices in the wilderness which has repeatedly been heard in the well of the House stating that the Communists want neither war nor peace, and that they understand only one language. That language is firmness and force.

Mr. Speaker, this is no time for division in our great common country. As I have repeatedly stated since this Vietnam thing started, the question of whether or not we should be in Vietnam may be a debatable question. But the fact remains that we are there and we must either get all in or get all out. At the risk of being designated with this label that is going around of a "hawk," I do not think there is any halfway method of winning the peace over there. It must be an all-out effort.

We hear a great deal about the fear of bringing Red China or Red Russia into this war. That is a calculated risk that we must take. We cannot go on and on and on permitting our boys to be slaughtered over there, permitting the enemy, under an appeasement policy that has been largely followed ever since the end of World War II, to call the signals while we run the defensive plays. You cannot win a football game that way, you cannot win a diplomatic battle that way, and you cannot win a cold or a hot war that way.

Mr. Speaker, certainly we have learned at least one lesson about the modus operandi of the Communists in the past 20 years. I call attention to the fact that every time we have called their hand, they have backed down. Witness Korea, the first and second Berlin crises, the Formosan Strait, and the Cuban affair to mention some instances. No, Mr. Speaker, the conduct of the Communists throughout the cold war has been to force the free world and particularly America, its chief and strongest foe, to become engaged in a series of brush wars, using their satellites as pawns. But when the chips are down they retreat and provoke trouble in new areas.

What would the appeasers have us do? Would they have us to fight an unlimited Korean type of war with North Vietnam

as a sanctuary from which the enemy could advance, slaughter our ground forces and then retreat into their own base of operation with impunity and safety? Would they have this, the most powerful nation on the globe, await the time when Red China, which they parade before us as a mighty dragon, to accumulate sufficient nuclear bombs and perfect the means of delivering these bombs while we follow the appeasement line?

So, as one who has no time for the draft card burners, the appeasers, and those who would divide our country in this great time of peril, I wish to add my humble voice in approval of the stand which the President of the United States took this morning in his announcement of the renewal of the use of air power in support of our beleaguered ground forces.

Finally, Mr. Speaker, I hope that the President, as the constitutional Commander in Chief of our Armed Forces, will not be swayed by the appeasers and that he will use whatever firmness and force necessary to bring this unfortunate situation to a successful conclusion. I am confident that he will find an overwhelming majority of the citizens of this great Republic in support of him. But likewise, Mr. Speaker, I express the hope that President Johnson will realize that in such an effort, guns must have preference over butter lest we lose our cherished institutions to other equally as fatal enemies within, particularly ruinous inflation.

#### PRESIDENTIAL DECISION ON BOMBING NORTH VIETNAM

Mr. GERALD R. FORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. GERALD R. FORD. Mr. Speaker, the President has just made one of the most critical, one of the most crucial decisions in American history.

We on our side of the aisle, as those on the other side, in fact all Americans, hope and pray that this decision is the right one.

I know that the President did a great deal of soul searching in the process of arriving at the action he has taken. I know that his top military and civilian advisers have given him the best information at their disposal. I know they have urged this course of action.

It seems to me, however, that all of us today should be most concerned about the welfare of the 200,000 American military personnel stationed in Vietnam and the many thousands of others stationed in other parts of southeast Asia. They have been sent there to protect our best interests and the Armed Forces have done a superb job under most adverse circumstances. They deserve our strongest support. They will have it.

It seems to me that at this critical juncture in the history of the United States, regardless of our political party affiliation and regardless of any views we may have about whether we should or should not be in Vietnam, it is our major

responsibility to stand together, to close our ranks for the security of the Nation. We should pledge ourselves to that end.

#### WE NEED CHINESE NATIONALIST TROOPS IN VIETNAM, TOO

Mr. SIKES. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. SIKES. Mr. Speaker, I support the action of the President in authorizing the resumption of bombing of military targets in North Vietnam. I am convinced that the overwhelming majority of the Congress and the Nation's populace also support this action. But let me turn to another aspect of the war which I believe deserves consideration. Far more than any other country, the United States is sending her youth and treasure to prevent the takeover of all of Asia by the Communists. Let me hasten to state, the forces of South Vietnam in that country are three times as large and they have fought far longer than we, but they are fighting for their own country. So, what I say is not a reflection, but a commendation on the efforts of the Vietnamese to carry on that nation's long and valiant fight against communism. Nevertheless, the fact is inescapable that other nations of Asia could do much more to help. It is, first of all, a cause which is very definitely their own. Some are helping. Korea is contributing meaningfully in manpower. A division of Korean troops is performing valiantly and they have drawn high praise from American observers.

Other Asian nations have an equal stake in the war. If Vietnam should fall, each Asian country would speedily find itself on the Communist timetable for conquest. United, the non-Communist forces of Asia could effectively withstand any effort by the Communists. But, some are neutral and some have shown Communist sympathies. U.S. State Department and Foreign Service personnel have accomplished material gains by demonstrating to some Asian nations the real perils of communism. There have been marked improvements in the understanding shown and the cooperation extended to the cause of the democracies by Laos and Thailand. It is to be hoped that a similarly positive effort will be made to convince other Asia countries of the folly of a neutralist or standoff attitude toward the wave which threatens in time to engulf them all.

In the field of more immediate prospects for help are the Republic of Korea and the Republic of China. This is because of the presence of well-trained and well-equipped armies in those two countries. I have already stated that the Republic of Korea is participating in a positive way. This is even more commendable since Korea also must recognize the ever-present threat on her northern border from North Korea, or Chinese Communist forces. But, it is

well within reason to believe that additional forces can be trained and made available in Korea for use in South Vietnam or to free existing units for service in South Vietnam.

The Republic of China is probably the most fertile source of immediately available troops. The ostensible reason for the lack of participation of these forces is that Red China's feelings toward the Republic of China are so vitriolic that such action might trigger an attack on Formosa or intervention by the Chicomso into South Vietnam. Very probably, the existence of Republic of China troops will always help to immobilize a number of Chicomso troops which conceivably could be used in South Vietnam; however, this advantage, at best, is passive and static.

How valid is the argument that the use of Republic of China troops will unleash Chicomso forces, cannot be determined. There was no hesitation on the part of the Chicomso to go into Korea once allied forces had penetrated deeply into North Korea. Probably, the fact of the matter is that direct Chicomso participation will not be contingent upon an excuse but rather dictated by the necessity of war or a sufficiently attractive opportunity.

The sending of Korean forces into South Vietnam has not triggered such a response by North Koreans or Red Chinese. During the Korean war, the sending of the so-called volunteer Chicomso troops into Korea was not predicated upon any of the aforesaid fears. We should recall that the U.S. forces under the United Nations auspices did not use Republic of China forces. Yet, there was no hesitation nor qualms on the part of the Chicomso to go into Korea when it suited their purposes. Both at the time of the Korean war and at present, allied forces are forgoing the services of needed, well-trained, well-equipped, Chinese Nationalist forces.

It must be considered also that there is the likelihood that the Chinese Communists would not wish to fight the Republic of China forces in the fear of mass desertions. Such an occurrence would lower the morale of their armed forces. History records the case of the large number of Chinese Communist prisoners of war who were not willing to be repatriated at Panmunjom. Of the 17,500 Chicomso prisoners of war, 14,343 chose to go to Taiwan and link their personal fortunes with the Republic of China. Certainly, the use of Republic of China troops would give heart to allied forces.

Aside from the question of immediate use of these forces, it is important that training programs for Korean and Republic of China forces be stepped up in anticipation that possible continued escalation of war may bring about a requirement for involvement by both. There remains the definite possibility of a general war in Asia. If that should come, we will need all the help we can get and, more particularly, we will need immediately available help. It is not too early to start getting ready. The fact that these allies are strengthening their forces would carry a positive warning to those behind the bamboo curtain who may be inclined to risk general war.

#### PRESIDENTIAL DECISION ON BOMBING NORTH VIETNAM

Mr. JONES of Missouri. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. JONES of Missouri. Mr. Speaker, first I wish to associate myself with the remarks of the gentleman from Mississippi [Mr. COLMER] and also with the remarks of the gentleman from Michigan [Mr. GERALD R. FORD]. I take this opportunity to express my appreciation of and my concurrence in the very fine discussion our Democratic whip, the gentleman from Louisiana [Mr. BOGGS], gave over a national televised program yesterday. I believe the gentleman from Louisiana [Mr. BOGGS] set forth very clearly what our position was and is.

I also wish to associate myself with the remarks made by the gentleman from Louisiana this morning, and to assure President Johnson of my support in his decisions to deal firmly in the crisis in Vietnam.

I should also like to ask unanimous consent, Mr. Speaker, to insert in the RECORD at this point a portion of my periodic newsletter mailed last Saturday, in which I discussed the alternatives which I believe the President had, and I also commend the President for the action he did take this morning.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The excerpt is as follows:

If congressional mail is any indication, which I believe it is, concern over the conduct of the war in Vietnam is mounting daily, and the President, within the next few days, will be forced to announce his decision on what our policy is to be. In my opinion he has two alternatives: Either step up the bombing to include strategic targets and to convince, not only the enemy, but the free world, that we are in this conflict to win; or prepare to withdraw our troops, and leave all of southeast Asia to be taken over by the Communists.

To those who might approve or be inclined to support this second alternative, I can only remind them that by so doing we would have not only wasted billions that have been expended to date, and have sacrificed thousands of casualties, but we would not escape the inevitable certainty that sooner or later—and earlier than most people would like to think—we would be meeting this same enemy in a different area, and without the assistance and support of millions of Asians, who have been resisting communism by being willing to sacrifice the lives of loved ones in the eternal hope they could enjoy the freedom of democracy.

To those who believe that by escalating the war to include the bombing of strategic targets, we would be risking the triggering of a third world war which would involve the use of atomic weapons, my question is this: Is this risk any greater than waiting, possibly 5 years, until Red China becomes one of the world's nuclear powers?

I realize it is presumptuous for me, lacking all of the information which is available to President Johnson, to attempt to say what his decision should be, but I also think it is

apparent that the United States is not prepared to continue indefinitely the type of war in which we have been engaged, refraining from the effective use of the weapons we have to inflict decisive destruction, particularly when the peace offensive in which we have been engaged for the past month has admittedly produced no results.

In closing, may I remind those who have been critical of President Johnson, that he inherited this war from the last two administrations, and that it was General Eisenhower who made the decision which got us into this mess in which we are now forced to make the best of a bad bargain.

#### PRESIDENTIAL DECISION ON BOMBING NORTH VIETNAM

Mr. HUNGATE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. HUNGATE. Mr. Speaker, the time indeed has come, I believe, as some prior speakers have suggested, to stand up and be counted.

I am pleased to be counted in support of the President, as one who has little difficulty in supporting him in virtually all of his domestic programs, because I believe he is a great humanitarian, in bringing to the American public many acts which have needed to be brought to them for many years.

In the field of foreign affairs, likewise, I feel the President has the interest of mankind and a lasting and just world peace in his mind and on his conscience; and, as such, the responsibility for leadership is his and the responsibility for support becomes ours.

I believe it well behooves us all to consider the consequences of our acts.

As one who was privileged in World War II to serve this country in the Armed Forces, when it was discovered we had half enough infantrymen and twice too many Air Force personnel, I would suggest to you that the people going to North Vietnam are in large measure in the ground forces—the 1st Cavalry, the 102d Airborne, the 25th Infantry. In the last war I suggest to you that the casualties borne by this country were of such character that the ground forces comprised 20 percent of our total forces and they suffered some 80 percent of the casualties.

Further I would like to suggest that we remember that sacrifices will be called for and this war, as World War II was not won with mirrors or simply with bombing, this war is going to require manpower—personnel. This personnel will be coming from your districts. I think we should support the President because I also think the remark of Harry Truman is very appropriate at this time. Mr. Truman once said there were many men in the United States that might have made better Presidents, but he was the President and the responsibility was his. I think the responsibility now becomes ours to support President Johnson in this time and support him, being mindful of the fact that sacrifices may well be and probably shall be called for and will occur. We should not stand up here at some later date and complain of the sac-

rifices that are required. We are supporting this policy now, but we should be aware of what we are doing, and realize that the victory we seek cannot be won with mirrors. We should not be surprised if we are bogged down in a ground war; for some reason one is always "bogged down" in a ground war.

Let us be like the farmer who knows there is a season for hawks and a season for doves and hopes there is at least one owl in the barn.

#### IN SUPPORT OF THE PRESIDENT'S DECISION TO RENEW BOMBING OF NORTH VIETNAM

Mr. HAYS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HAYS. Mr. Speaker, I want to join with the others here in supporting the decision that the President made today to resume bombing in North Vietnam. I know it is a terrible decision for him to have to make but I think he had no other course. He has tried for many days to bring this matter to the conference table. The other side refused to talk.

I spent some time in Vietnam this fall. I talked to a good many troops because I went up into the forests and the jungles where they were fighting. I can report to you that the morale of those troops out there, as far as I was able to ascertain it, is better than the morale of some of the people who are marching here and burning draft cards and holding sit-ins and teach-ins here. The only complaint I heard out there among these troops was, "What is wrong with some of these people back home? Yes, and what is wrong with some Congressmen who are holding forums for these people to air their views making the North Vietnamese believe that we do want to quit?" Some people say, "Well, if we do not get out of there Communist China is going to come in." I talked to a good many people in Hong Kong, Bangkok and Vietnam itself and almost universally they say that if we make it perfectly clear to Peiping that if they do come in that same afternoon their atom-bomb-making complex will disappear from the face of the earth, then they will not come in. The reason for that is these Chinese I talked to say—and some of them visit Red China occasionally—that the Chinese Communist leaders believe and are planning on a 50-year program to get enough atom bombs to annihilate the rest of the world. They will do anything to keep from having their atom bomb apparatus immobilized. They said, and I believe it is true, that if we make it perfectly clear to Peiping that the first time a Chinese soldier is found engaged in combat that that atom bomb complex will disappear—and we can make it disappear with one Polaris missile—then they will think a long time before coming in. If they do come in I think we ought to use every weapon we have to stop them in their tracks as Mr.

Truman had the courage to use the ultimate weapon in the war against Japan and thereby save 1 million American casualties. I do not advocate the use of any terrible weapon lightly. I do not want to see any noncombatants, women and children, killed. However, as the Secretary of State said last week, what is the difference between a bomb dropped from an airplane which kills civilians and a bomb delivered on a bicycle or in a Renault which kills as high as 50 or 60 women and children in Saigon. I cannot make the distinction and I cannot get as upset as some of the people do who seem to have a double standard.

Their attitude is that it is not fair to do anything to North Vietnam but it is perfectly fair for North Vietnam to do anything they want to do to the civilians of South Vietnam.

I support the President in this and I hope the card burners and the marchers will also decide to close ranks and support the United States of America.

#### PERSONAL ANNOUNCEMENT

Mr. FOLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. FOLEY. Mr. Speaker, on January 27, I was unavoidably absent during rollcall No. 3. Had I been present, I would have voted "yea."

#### VIETNAM

Mr. FOLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. FOLEY. Mr. Speaker, as an individual Member of the House of Representatives I wrote to the President last week and expressed my full support in the event he found it necessary to resume the bombing of North Vietnam.

As I stated in that letter, it is the President, and he alone as Commander in Chief who has the responsibility and the right to make this momentous decision. It is clear that the decision has been made, after the most careful analysis of all the relevant facts at issue and with the deepest resolution on his part, not only to maintain the freedom and the integrity of South Vietnam but to seek every honorable means of restoring peace in southeast Asia.

I am convinced, Mr. Speaker, that the President's action will have the support of the overwhelming majority of the American people of both parties here in the Congress and throughout the country.

#### PROBLEMS OF APPALACHIA

Mr. PERKINS. Mr. Speaker, I ask unanimous consent to extend my remarks

at this point in the RECORD and include a newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. PERKINS. Mr. Speaker, the problems of Appalachia have been of concern to this Congress for some time and we have taken a number of legislative actions to assist that section as well as other depressed areas. Therefore, I believe you will share my pleasure in knowing about one of the very fine and hopeful things that is happening in my State as a result of some of this legislation.

I refer specifically to the work experience and training program which was started the winter of 1963-64 in 9 counties of Kentucky and is now operating in 19 counties. The Federal laws which made this program possible are the 1962 amendments to the Social Security Act and the Economic Opportunity Act of 1965. The program is designed to help needy families become self-supporting and is administered by the Welfare Administration of the Department of Health, Education, and Welfare in cooperation with the Kentucky Department of Economic Security. This program has built-in safeguards—including merit-system appointed personnel—to assure that its benefits reach those who need them most and that it is operated in ways that will help them most.

Today, I was notified by the Welfare Administration that a grant of \$13.4 million has just been approved to enable the nine counties, where the program started, to carry it on for another year. The 10 other counties, which started later, are still operating on their original grants.

I want to take just a few minutes of your time to tell you why the approval of this grant today was especially good news to me, why I believe it will be equally good news to you, and why I know that to several thousand families in Kentucky, it is not merely good news but almost literally lifesaving news.

The people I am talking about live where I live in the most remote hill sections of eastern Kentucky. Their plight has been my chief concern since I have been a Member of Congress, but every legislative proposal designed to provide programs of educational, employment, economic development assistance for the most part have been sidetracked and bypassed until the very recent sessions of the Congress. The plight of people living in these regions has been the focus of nationwide attention thanks to the excellent reportorial services of the New York Times and the Louisville Courier Journal who went into these sections and exposed the many, many families who were living on the razor-edge of starvation.

As I have said, I have been anxiously concerned about the plight of these families who could look forward to little more than more hunger, more deprivation, and more hopeless years of unemployment. Regular grant-in-aid programs fashioned for the Nation as a whole seem to bypass and do little for this area. As a consequence, I have worked actively for national attention to the specific problems of the area through specific pro-

grams to cope with educational and economic needs of this isolated region of our Nation. A region I might add, which is vast in many natural resources not yet developed.

Many of the mothers and fathers in those families could not read or write and their children were growing up the same way. You can not send ragged, half-sick, half-starved children off to school and even if you do, they are in no shape to learn. Other factors contribute to providing barriers to education not the least of which is the deplorable lack of roads.

For over 6,000 of the most desperate of those families, the winter of 1966 is very different from the winter of 1963 because of the work experience and training program. Unfortunately, that change has often been described by a phrase that distorts its real meaning—"happy pappies." Yet in a literal sense, the description is true. These men are happy.

They are happy because their children—some 23,000 of them—go off to school every morning with a breakfast under their belts and with shoes on their feet and warm coats on their backs. Most of these families still live far below the poverty line of \$3,000 a year but now they at least have the bare essentials.

They are happy because they know that if anyone in the family is sick, he will get attention—and many of them can remember when loved ones suffered, perhaps even died, for lack of such attention.

But most of all, these fathers are happy because they can look to a future, not just for their children, but for themselves. In fact, for 400 of those families the future has already begun because the men have regular jobs and are beginning to get ahead, like one man who started as stock clerk and is now assistant manager of the housewares section of a department store.

For another 400, the future is just around the corner because they are already working in firms and industries, training for specific jobs that are there waiting for them.

An additional 500 are right behind these fortunate 800. They are getting high school equivalency certificates—the passport to the opportunity to equip themselves for the highly skilled jobs our economy needs to fill.

The future is a little more distant for most of the rest of these families because their handicaps are greater. For one thing, a great many of them lack a grade school education, but they are gaining it fast through a three-stage course that covers first through third grades in one basic course, fourth through sixth in another, and seventh and eighth grades in the third stage. Each man—and sometimes his wife too—begins at whatever stage he can handle.

And while they are getting book learning they are also getting job training by performing work that long needed doing. For example, they are clearing out creek beds so that the spring floods will no longer menace their homes and erode the soil. They are building bridges and ac-

cess roads so that families are less isolated, they are fixing up schools and other public buildings. But you may say, these are manual jobs—how can such work prepare men for the more complex tasks which our modern mechanized society demands?

There are several answers to that question, but the key answer is that learning how to work is like getting an education—it has to be done in steps. Some of these men have grown up without ever having a chance to hold a regular job; others have been unemployed for years. Idleness takes its toll. For example, time is less important when a man is not busy, life has no routine or pattern, and standards grow lax. The first step in preparing these men for jobs—and it can be learned on almost any type of job—is how to be a good workman; getting to the job promptly, sticking with it in good or bad weather, accomplishing the task efficiently and in the least possible time. Good work habits and a basic education are the prime essentials; these must be mastered first, whatever one may do later.

But, for many of these men, there must be an in-between stage of training in higher skills. The next step for them may be the manpower training and development program which concentrates on specific vocational skills. In Kentucky, these programs are running night and day but there still are not enough classrooms or enough teachers to take on all who are ready for this higher training. They have to wait their turn.

However, beginning next month, I am happy to report a new development in the work experience and training program which will offer a partial solution to this problem for some of the men and at the same time improve the basic training given to all of the men. This new development will add more merit-system appointed supervisors to visit every work crew and will designate the most efficient member of each crew as a crew boss who will be responsible for seeing that every man in the crew meets high performance standards. The new supervisors will themselves go through an intensive training period to make sure that they will set and maintain high standards for the crews. The crew bosses, also, will be trained so well, in fact, that we expect many of these men will move directly into foreman jobs in industry without ever having to go into the manpower development and training program.

At present, the supervisors make impromptu visits to every work crew at least three times a week to check on attendance, speed of work and other measures for ascertaining that the project actually is giving these men good work habits. Under the new system, the supervisors will be expected to be with every crew every day. Pride in workmanship is the goal and if there are any men on the projects now who do not have it, they are going to get it or lose their chance for the future that otherwise awaits them.

Now I want to tell you briefly about a third element of these projects that may not be as obvious but is just as important

as basic education and basic work training in bringing a permanent change in the lives these people. This third element is the attention that is being given to their families by the public welfare workers. These workers determine what families are eligible for the project and see that they get needed medical care and enough money for their necessities. But that is just the beginning. They also help with a whole gamut of family problems and plans so that it is not just the man who is working toward a brighter future, but the whole family supporting and reinforcing him. This is terribly important, because as you all know, a man's family can help him climb or hold him down. In fact, it was this part of the project that made all the difference to one young father I happen to know about. He and his wife and two babies lived with his parents and he was so under the domination of his father that he could not make even the simplest decision for himself. Today, he has his first paying job, as a truckdriver earning \$340 a month; he has established his own home and while he is still on good terms with his parents, he runs his own show.

Multiply the difference the program has made to this young man by the hundreds of other men and their families who are independent or on their way to independence because of it and you can understand why the people of Kentucky—the teachers, the doctors, the businessmen, just about everybody—think this is one of the best things that ever happened in this State. That is why they have asked for and are getting a grant to continue the project in the first 9 counties where it all started and why I hope I am going to have your wholehearted support in seeing that the 10 other counties will have the funds to continue when their next grants fall due. This program should be expanded to include all needy people in eastern Kentucky. I am most hopeful that funds may be obtained to put this worthy program into operation throughout the whole of east Kentucky.

When the people of Kentucky talk about the "happy pappies program," they mean it in the way our Founding Fathers meant it when they wrote into our Constitution the right of every American to "life, liberty, and the pursuit of happiness." Kentuckians see what is happening day after day as a result of this program and they like what they see. Typical of the many local reports that constantly reach me through the press of Kentucky is this one from the Licking Valley Courier which I have asked to have inserted in the CONGRESSIONAL RECORD so that you and others may read it:

MORGAN'S "HAPPY PAPPY" PROGRAM: AD TO ROADS, SCHOOLS, STREETS—WORKERS GET SCHOOLING AT THE SAME TIME

(By Earl Kinner, Jr.)

Subject of both praise and criticism and the butt of many jokes, the work experience and training program, started here last June for unemployed fathers, has made possible the completion of many worthwhile public projects that otherwise would have gone undone or would have had to wait due to lack of public funds.

These projects range from bridge building and road and culvert repair on county roads by work crews assigned to the county government, to major repairs made on public school buildings and other public property by crews assigned to the county school board and to the city government in West Liberty.

One hundred and seventy-one unemployed fathers now are participating in the program, which is financed by the Federal Office of Economic Opportunity and administered in Kentucky by the State department of public assistance.

Patterned after the old WPA program which provided work for jobless people, the work experience and training program differs in that it is designed to help break the so-called poverty cycle by teaching out-of-work fathers new skills—skills that will enable them to get and hold steady jobs.

To do this the program provides participants with on-the-job training on a number of public and private projects. And to enhance their chances of becoming full-time members of the labor force, participants with low educational levels are required to attend classes in basic education. Others are offered classes on the high school level, and vocational training is planned for others.

#### PROJECTS IN MORGAN NUMBER 32

Work experience and training program participants in this county—many of whom are classified as potential welfare cases—are employed on a total of 32 public and private projects.

For their labor and time spent in class, participants are paid a subsistence wage of \$1.25 an hour.

Work on public projects—at which the majority of the participants are employed—includes road repair, beautification of public property, custodial work in public buildings, etc.

Under the program, governmental units with approved projects on which to utilize work experience and training program workers are allotted the required number of men, and then are responsible for providing the workers with jobs, tools, and supervision. The Office of Economic Opportunity foots the payroll.

Participants working on private employer projects are given 90 days of on-the-job training by businesses seeking additional trained employees. During the 90 days of training, the trainee is paid \$1.25 an hour by the Office of Economic Opportunity. Under this part of the program, the employer must agree to consider hiring the trainee at the end of the 90-day training period.

In Morgan, 50 men are assigned to the county government, 70 are assigned to the board of education, the city of West Liberty has 15 men assigned, and the State highway department has 12 assigned for work on public projects.

Keeping the workers busy on worthwhile projects is the direct responsibility of the heads of the local governmental units, the county judge, the mayor, the superintendent of schools, and the highway department chief.

These officials are responsible for determining work projects, naming timekeepers, and assigning competent foremen to instruct and direct the workers assigned to them.

A local supervisor, employed by the public assistance department, keeps a close check on the activities of workers assigned to the sponsoring agencies to see that they have adequate supervision and are performing their jobs satisfactorily. The county supervisor in Morgan is Kenneth Barker, of Cannel City.

Unemployed fathers participating on private employer projects number 24 at the present time. They are under the employers' supervision and are learning trades such as auto body repair, meat cutting, carpentry, etc. Barker also keeps tab on the progress being made by these workers.

#### PROGRAM CRITICIZED

Praiseworthy in its goals, the program nonetheless is the subject of criticism—evidenced in part by the term "happy pappies" which has been tacked onto its title.

Many applaud the program's goals, but feel that the benefits being gained from the program do not justify the cost. Some feel that participating fathers—particularly those who work on public projects—aren't really learning enough to make them employable once they leave the program. And, too, they feel that the work being done on public projects is of little value and that more should be done.

"They've whitewashed plenty of trees and swept out plenty of classrooms, but what else have they accomplished?" one person asked.

Many farmers also feel that a growing lack of day labor to help out on the farm is partly the result of the available supply of this type of labor going into the work experience and training program where the pay is higher than many farmers can afford to equal.

Barker admits the program hasn't always worked out in practice the way it's supposed to on paper. Particularly vexing to Barker is the fact that though most have done satisfactorily, some men assigned to private employer traineeship projects haven't performed as well as expected.

"But the goal of the program is to make steady wage earners of these people," he says. "And for some of these men, learning work skills will have to wait until basic work habits are learned. Many of these men could not read or write when they started in the program. Many—for various reasons—had never held a steady job or drawn a steady wage."

"These people must first learn the essential basic work habits; punctuality, persistence, neatness, the necessity of following instructions, and to read, write, and count before they progress to the learning of specific skills."

To help participants learn these skills, the county board of education, with grants from the Office of Economic Opportunity, provides basic education classes and one high school class for work experience and training participants.

One hundred and thirty-nine of the unemployed fathers are enrolled in the basic education classes taught 6 hours a week at five locations in the county. Seven have been studying high school courses.

Twenty-four who have sufficient schooling, work only and do not attend classes. It is hoped that some of these can be enrolled in a vocational training class currently in the planning stage.

#### FEELS CRITICISM UNJUSTIFIED

Scott Fugate of Index, regional supervisor in charge of work experience and training in Morgan and five other counties, feels that much of the criticism leveled at the program is unjustified. "After all, men who are capable of doing skilled work unaided have no business on this program," he said.

"To be eligible to participate in the program, an applicant must first of all be an unemployed father who has been out of work for at least 90 days, ineligible to draw unemployment insurance, and unable to get a steady job." The typical participant, he pointed out, has no more than a fourth or fifth grade education, usually has never held a steady job, and is the father of four to five children.

Fugate pointed out that the typical participant is started out on one of the public work crews. When private employer traineeship openings present themselves, the worker who has demonstrated good work habits, and gained in capability is given the nod.

"After a worker progresses to a traineeship position, we begin to feel the program is accomplishing something. At the end of his 90 days of training, it is hoped that he will be accomplished enough to leave the pro-

gram and hold down a full-time job," Fugate said.

Workers on the public work crews have no set period of time to complete their training, but Fugate said the goal of the program is at the end of 2 to 3 years to have every man currently on the program employed at regular jobs.

#### WORKERS MUST ACCEPT JOB OFFERS

In answer to one charge frequently heard that participants won't leave the program to accept employment when it is offered, Fugate had this to say:

"Applicants are required to register at the nearest employment service office and are required to accept any bona fide job offer provided the wage offered is equal to the prevailing wage scale in that field, and also provided the applicant is physically able to hold down a job." Fugate emphasized that participants in the program are absolutely required to accept part-time job offers from farmers to help harvest tobacco.

No applicant, however, is required to accept a job offer if the job includes unusual health hazards, Fugate explained.

He also pointed out that work experience and training program workers are not permitted to work on jobs that compete with private businesses. "Work experience and training program workers may patch a hole in the pavement but they can't build a street," he explained. "Only in cases where governmental units can prove they haven't enough funds to hire the job done can work experience and training program workers tackle a major construction job."

#### CRITICS AGREE PROGRAM GOOD IN ONE RESPECT

Both Fugate and Barker feel that one of the greatest benefits of the program is the good influence it has on the families of participating fathers. And even critics of the program agree on this.

To remain on the program, participating fathers are absolutely required to keep their children in school—perhaps the first big step in breaking the cycle of poverty in some families.

Under the program participants must at least make an effort. If they fail to show up for work they don't get paid. And repeated absences can get a man dropped from the program.

"This provides an incentive to maintain regular work habits, thus setting a good example for their children to follow," Barker said.

Commenting on a frequently heard charge that the work crews don't do enough worthwhile work, both Fugate and Barker felt that since the heads of governmental units employing the crews are responsible for finding work for the men, citizens who feel worthwhile projects are being neglected should call them to the attention of the appropriate local governmental head.

These officials are the county judge, the mayor, the highway chief in Morgan and the superintendent of schools.

#### MANY PROJECTS COMPLETED

Actually, the work experience and training program workers have accomplished much more than whitewashing trees and sweeping out public buildings. Some of the major jobs completed by participants in the program thus far include:

Work crews assigned to the county, besides clearing rights-of-ways along county roads and helping with maintenance of public buildings have built and repaired bridges at numerous places in the county, including: building new bridges to replace old ones washed out by floods on Hollar Poplar Creek Road near Wrigley, repaired bridges at Lower Long Branch, helped repair bridge on Nickell Fork of Grassy, helped the highway department crews put in culverts at various locations, including the Pine Grove Road and the Spaws Creek Road near West Liberty

and on the Straight Creek-Big Mandy Road in the eastern part of Morgan and on the Upper Long Branch Road between Ezel and Grassy Creek. Astor Barker of Caney is timekeeper and foreman of the 50-man county crew.

Crews working for the board of education have completed major projects at Ezel School, Cannel City School, and Crockett School. At Ezel workers have fixed and painted floors, cleaned up grounds, painted inside and outside of most buildings, refinished old worn out desks, and in one major construction job converted an unused furnace room into a badly needed classroom.

At Cannel City, crews have converted a hallway and adjoining classroom into a lunchroom and moved the kitchen from a dark, cubbyhole to a large room adjoining the dining room. Students previously had been eating at tables set up in the school auditorium. At Cannel City, workers also have remodeled a Project Hope center for preschool children, adding plumbing, and restrooms as well as painting and remodeling to suit the convenience of tots enrolled at the center.

At Crockett, a crew working under the direction of Principal Forrest Lacy, has re-roofed the building, a job that had been in desperate need of attention for years. In addition, they have cleared the grounds, helped correct a serious drainage problem, painted inside and outside the buildings, constructed tables for the lunchroom among other things.

Other crews are assigned to the schools at West Liberty and help with custodial work and landscaping and other jobs.

Rex Lacy is general supervisor of the board of education crews and directs most major jobs. Principals of the various schools act as timekeepers, and direct supervision is also provided by other regular school personnel.

City crews, under the direction of Ora Jeff Williams, foreman and timekeeper, have cleaned out every ditch line and culvert in West Liberty, repaired streets, and helped in the sanitation and water and sewer departments. One major task, recently completed, and one that certainly needed doing, was cleaning the city dump and surrounding area. Workmen have cleared the drive to the dump of unsightly debris, graveled the drive, gathered and burned trash in one spot, and built a wide unloading area. Formerly trucks and cars did not have enough room to turn after unloading trash at the dump.

Most of the jobs would have gone undone or would have had to wait had it not been for the program.

But in the long run, only time will tell how successful the new program will be in teaching participants to actually become steady wage earners. The 24 who currently have progressed to traineeships is not a large percentage of the 171 on the program.

And always there is the possibility that a private employer will be tempted to take advantage of the program to obtain free labor for some menial task under the pretext of teaching the worker specific work skills.

In the end much of the program's future value to the public will depend on the alertness of officials in finding worthwhile jobs for the men, and citizens in calling attention to jobs that need doing.

#### VIETNAM

Mr. ROGERS of Florida. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. ROGERS of Florida. Mr. Speaker, the President's announcement to resume the bombing of North Vietnam is symbolic of this Nation's determination to keep its commitment in southeast Asia. President Johnson has kept all doors to negotiations open in an effort to bring about a peaceful settlement to the problems of South Vietnam. Yet the Communist aggressors have both rejected and maligned his repeated pleas for peace. In the face of their unwillingness to discuss on any level the complex problems which the world is faced with, President Johnson has made the right decision.

During the lull in U.S. bombing the Communists have been given the chance to repair damage and replenish supplies which had been destroyed by previous American raids. The current U.S. efforts should spare no military target of strategic importance. I urge the President to render ineffective the vital North Vietnamese supply port of Haiphong.

The port of Haiphong should not become a sanctuary as the Yalu River did in North Korea. The port of Haiphong is currently the main port of supply for the aggressive forces of North Vietnam and so long as it continues to be the conduit of aggression, it should receive priority consideration and be rendered inoperative.

#### VIETNAM

Mr. HOSMER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOSMER. Mr. Speaker, I approve of this decision of the President to resume the bombing, but I think it ought to be given an assessment of actually what it is. Despite all the leaks from the White House during the past few days about all the "To be or not to be" soliloquizing going on down there, I do not think it is anything that we should go into emotional orbit about. The prolonged "Be kind to Hanoi week" which stretched out to 5 weeks and 2 days simply did not accomplish its objective. It was a failure and it was time to stop it and take another tack. And, now that we are going to do so I think we should also take realistic stock of the success or failure of the bombing as it was carried on up to the Christmas holidays. It was supposed to, first, slow down the infiltration of North Vietnamese military units into the South and, second, raise the price of the war in the North to the point where they would determine to cease their aggressions. That bombing failed utterly to accomplish either of those two purposes. So the score so far is two failures in a row and again I say it is nothing to go into a state of euphoria about as so much of this Presidential adulation seems to indicate.

Instead we had better do some hard thinking about what kind of bombing we ought to be doing from here on out to accomplish the objectives we have set instead of failing to accomplish them.

If we are thinking about doing something which will discourage them from doing the things the President, Secretary McNamara, and Secretary Rusk say we are trying to discourage them from doing, we should realistically admit that the use of TNT bombs on targets we have thus far selected has failed of its purpose. A repetition of that kind of action should not prove any more successful in the future than it has been in the past. I am not thinking in terms of blowing up Hanoi and Haiphong or using atom bombs, but I am thinking in terms of using some intelligent analysis to determine what kind of targets are meaningful to those people and using some creative imagination to determine what kind of ammunition should be used against those targets to succeed in achieving our purpose. Both the targets and the ammunition may turn out to be quite unconventional. I shall say more about them in the near future. The point I want to make now is that if civilians in Washington are going to insist on running this war without paying any attention to the advice of the military, then they should start to make sense about the way we fight it and stop mismanaging it before they turn it into a fiasco. They should stop fighting the last war, which this one is not. They should stop thinking about the war as a conventional war which it is not and start thinking about it as the unconventional war it is. If they do so intelligently and imaginatively, that will bring us victory and we will not have to fight forever to get it.

**THE SPACE PROGRAM—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 371)**

The SPEAKER laid before the House the following message from the President of the United States; which was read, and, together with the accompanying papers, referred to the Committee on Science and Astronautics and ordered to be printed with illustrations:

*To the Congress of the United States:*

The record of American accomplishments in aeronautics and space during 1965 shows it to have been the most successful year in our history.

More spacecraft were orbited than in any previous year. Five manned Gemini flights were successfully launched.

Our astronauts spent more hours in space than were flown by all of our manned spacecraft until 1965. Ten astronauts logged a total of 1,297 hours, 42 minutes in space.

The five manned flights successfully achieved a walk in space, and the first rendezvous between two manned spacecrafts.

A scientific spacecraft completed a 325-million-mile, 228-day trip to Mars. Mariner 4 thereby gave mankind its first closeup view of another planet.

The Ranger series, begun in 1961, reached its zenith with two trips to the moon that yielded 13,000 closeup pictures of that planet. The entire Ranger series produced 17,000 photographs of the moon's surface which are being

studied now by experts throughout the world.

Equally important were the contributions of our space program to life here on earth. Launching of Early Bird, the first commercial communication satellite brought us measurably closer to the goal of instantaneous communication between all points on the globe. Research and development in our space program continued to speed progress in medicine, in weather prediction, in electronics—and, indeed, in virtually every aspect of American science and technology.

As our space program continues, the impact of its developments on everyday life becomes daily more evident. It continues to stimulate our education, improve our material well-being, and broaden the horizons of knowledge. It is also a powerful force for peace.

The space program of the United States today is the largest effort ever undertaken by any nation to advance the frontiers of human knowledge. What we are discovering and building today will help solve many of the great problems which an increasingly complex and heavily populated world will face tomorrow.

The year 1965—the year of Gemini, Ranger, and Mariner—is a brilliant preface to the coming years of Apollo, stations in space, and voyages to the planets. I have great pride and pleasure in transmitting this remarkable record to the Congress that, through its enthusiastic support, has made possible.

LYNDON B. JOHNSON.

THE WHITE HOUSE, January 31, 1966.

**FIFTEENTH ANNUAL REPORT OF NATIONAL SCIENCE FOUNDATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 372)**

The SPEAKER laid before the House the following message from the President of the United States; which was read, and, together with the accompanying papers, referred to the Committee on Science and Astronautics and ordered to be printed, with illustrations:

*To the Congress of the United States:*

I said in my state of the Union message this year that, "We must change to master change."

Failing that, this Nation will surely become a casualty to the relentless tide of history. For in assessing our prospects, we must remember that mankind faces not one but many possible futures. Which future our children's children enjoy—or endure—depends in large measure on our ability to adjust to the needs of the times.

But change comes not of itself. Neither the requirement for change nor the desire for change will see us through. In a complex world—growing more complex every year—only knowledge can keep us apace.

We must achieve a better understanding of our environment and our place in that environment.

We must continue to unlock the secrets of the earth below us, the sea around us, and the heavens above us.

And we must intensify our search into the very meaning of life itself.

It is not too much to say that every aspect of our lives will be affected by the success of this effort. The military and economic strength of our Nation, and the health, the happiness, and the welfare of our citizens all are profoundly influenced by the limits—and potentialities—of our scientific program.

In the furtherance of this program, no organization, agency or institution has had a more profound or lasting influence than the National Science Foundation. The establishment of this Foundation by the Congress, 15 years ago, was one of the soundest investments this Nation ever made.

In the field of basic research, many of the major scientific breakthroughs of our time would have been impossible—or at the very least, much longer in coming—had it not been for National Science Foundation grants in the basic sciences.

In the field of education, it is enough to say that more than half of all our high school teachers have now received vital refresher training through the Foundation's education program.

In the classrooms, the Foundation has played a major role in modernizing scientific curricula to make them responsive to our age.

And in a more recent activity, the Foundation has launched a program to strengthen the science departments of many of our smaller universities throughout the Nation by providing new laboratories, modern equipment, and fellowships to promising graduate students.

It should be emphasized that the role of the National Science Foundation is to aid, not to arbitrate. But through its aid—skillfully administered and intelligently applied—it has brought American science to a new level of excellence.

This, the 15th Annual Report of the National Science Foundation, reflects another year of scientific growth and progress, and I am pleased to commend it to the attention of the Congress. It mirrors the past and illuminates the future.

It is the story of change—to master change.

LYNDON B. JOHNSON.

THE WHITE HOUSE, January 29, 1966.

**COMMUNICATION FROM THE HONORABLE OREN HARRIS**

The SPEAKER laid before the House the following communication from the Honorable OREN HARRIS:

CONGRESS OF THE UNITED STATES,  
HOUSE OF REPRESENTATIVES,  
Washington, D.C., January 27, 1966.

Hon. JOHN W. MCCORMACK,  
Speaker of the House of Representatives,  
Washington, D.C.

MY DEAR MR. SPEAKER: I have the solemn duty to inform you that I have this day transmitted to the Honorable Orval E. Faubus, Governor of Arkansas, my resignation as a Representative in the Congress of the United States from the Fourth District of Arkansas, effective at the close of business February 2, 1966.

Although I look forward to assuming a new status in life as Federal judge of the Eastern and Western Districts of Arkansas, it is with deep feeling that I leave the House

of Representatives. I am grateful for the privilege of the association during my years in this great institution. It has been a rich and rewarding experience for Mrs. Harris and me, which we shall always cherish.

May the providence of God sustain you and every Member throughout the years ahead.

Humbly and gratefully, I remains always  
Sincerely yours,

OREN HARRIS,  
Member of Congress.

Enclosure.

CONGRESS OF THE UNITED STATES,  
HOUSE OF REPRESENTATIVES,  
Washington, D.C., January 27, 1966.  
HON. ORVAL E. FAUBUS,  
Governor, State of Arkansas,  
Little Rock, Ark.

MY DEAR GOVERNOR: It is with mixed feelings and a sense of pride that I hereby tender to you my resignation as a Member of the House of Representatives in the Congress of the United States from the Fourth District of Arkansas, effective at the close of business February 2, 1966. This is pursuant to our understanding when I visited with you in the hospital in Little Rock, December 21, 1965.

As you are aware, I will become U.S. district judge for the Eastern and Western Districts of Arkansas at 11 a.m. Thursday, February 3, in my hometown, El Dorado, Ark.

I am humbly grateful for the special honor and privilege of having served our State and district in the Congress for these 25 years and 1 month. It has been a joy to me and my family to have had the association during these years, which we shall ever cherish.

I want to thank you for the courtesies you have always extended to me, as well as the cooperation in our efforts to serve the people of our State of Arkansas.

With genuine respect and esteem, I am  
Sincerely yours,

OREN HARRIS,  
Member of Congress.

#### RESUMPTION OF BOMBING IN NORTH VIETNAM

Mr. HALL. Mr. Speaker, I ask unanimous consent that the gentleman from Georgia [Mr. GALLAWAY] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CALLAWAY. Mr. Speaker, I commend the President on his decision to resume bombing over North Vietnam feeling that under the circumstances, this was the right and only choice to make. This Nation sincerely wants peace, but knows full well that appeasement is not the answer. Only through strength and firmness in the face of aggression can we truly achieve the peace we seek, and therefore I am convinced that this decision is a necessary and positive step toward winning the war. Moreover, this action is needed to back up the efforts of our fighting men. I have long said that in committing vast numbers of troops to fight and die in Vietnam, we are honor and duty bound to back them up in every way we can. Let us hope that this decision is only a first step toward the full military backing needed to win this war, and that it will be followed by a further step—the closing of Haiphong—that is so vital to victory in Asia.

#### NO CUTRATE BENEFITS FOR OUR VIETNAM VETERANS

Mr. RANDALL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. RANDALL. Mr. Speaker, the House Veterans' Affairs Committee faces a large stack of bills that have been recently introduced relating to proposed benefits for what is improperly described as our cold war veterans. In some recent remarks on the floor of the House, I urged upon the chairman and members of that committee that the time had come for more action and less talk both by the committee and the Congress, to provide too long delayed benefits for those who are now serving in some hot spots of the cold war.

Our Veterans' Affairs Committee has a big job, if it does nothing more than compare the provisions of more than 100 such bills already introduced in the 89th Congress. Very few of these bills are identical. They differ as to effective dates, eligibility, termination dates, and the extent of benefits provided.

The several bills can be divided into two general classes. First is a group of bills that follow S. 9, sponsored by Senator YARBOROUGH, which has already passed the Senate and which would provide benefits for all veterans who served between January 31, 1955, and July 1, 1967, who have been released under conditions other than dishonorable and who have served for a period of more than 180 days. Under this kind of bill, the benefits for education and training would be related to length of service. As a rule of thumb, the formula for entitlement for education and training would be 1½ days of schooling for each day served since induction. In other words, 2 years of service would earn the maximum of 36 months as a period of education or training to which an eligible veteran would be entitled. Such a formula would seem to be fair and equitable and even a lesser formula which provides 1 day's education for 1 day's service could not be the subject of strenuous objection.

Over in another category is a classification of bills which generally follow H.R. 1006 which provides only limited benefits to persons serving in combat zones after January 1, 1962. In other words, benefits are limited under this class of bills to those post-Korean veterans who have served 90 days of active duty in a combat zone. These proposals are called the "hot spot" bills. The so-called administration bills heretofore introduced by request are described as low-cost bills, in that they would limit the cost to approximately \$100 million for the first year. The so-called high-priced bills would require expenditures of up to \$275 million for the first year. These would not be limited to education and job training, but would include housing benefits, hospital benefits, job counseling, placement rights, numerous other

readjustment benefits, including service-connected compensation at wartime rates, specially equipped automobiles for those who have lost use of a limb, and specially built homes designed for those confined to a wheel chair.

As we observed at the beginning of these remarks, it is the content or substance of these bills that is important rather than any particular title that may be affixed to any of them. Some are called Combat Veterans Equalization Benefits Act. Some are titled Cold War Readjustment Assistance Act. Others are called Vietnam Era Veterans Readjustment Act. But, again, the name or title is not nearly so important as the provisions contained for eligibility and the range of benefits granted.

Mr. Speaker, I do not think very much argument is needed to underscore the necessity that some sort of veterans benefit bill for those now serving should receive early approval. It should be a bill which will contain comprehensive veteran benefits. These thousands upon thousands of our young Americans who are subject to compulsory draft have been required to interrupt their civilian pursuits. They should receive benefits comparable to those received by veterans of World War II and the Korean conflict. Yet, since January 31, 1955, which was the cutoff date for eligibility under the Korean GI bill, about the only assistance the Federal Government has offered these post-Korean veterans is unemployment compensation.

It is high time to right this inequitable situation. Those who now serve in our Armed Forces are being called upon to share a disproportionate burden of citizenship. While they serve, others near their age go on preparing for occupational and professional careers. Enactment of a bill providing for some benefits is nothing more or less than an act of justice toward those who are sacrificing civilian gain for military duty.

Opponents object to the cost. Those who argue for a slowdown in domestic spending contend that no new programs should be begun, yielding high priority to funding for Vietnam. Yet these same persons forget that the cost of an education and training program for today's servicemen should properly be viewed as just one of the necessary costs of the current war. While on the subject of the costs, there is a temptation to consider such cost as an outlay that may never be returned rather than an investment that will yield big returns. It is true the original GI bill involved an outlay of over \$15 billion, yet it has since been proven that this bill actually "cost" the taxpayers nothing. It has been demonstrated that it generated over \$20 billion of new income and that those who were educated, according to the Census Bureau estimates, are now paying an extra \$1 billion a year in Federal income taxes because of added earnings directly traceable to their education made possible by the GI bill.

On the 20th anniversary of the original GI bill, which was called the Servicemen's Readjustment Act of 1944, statistics show this bill helped produce

460,000 engineers, 360,000 teachers, 197,000 in the health field, and 150,000 scientists, as well as 699,000 in business administration and 2,500,000 skilled craftsmen in the trades and industrial pursuits.

If the figure of \$1 billion a year in new or additional income taxes paid because of the GI bill is correct, then on the 20th anniversary of the bill, this would mean \$20 billion in new income from the 7.8 million veterans who received benefits of some kind.

Mr. Speaker, it is my intention to prepare for immediate introduction a bill which contains a range of benefits comparable to those provided for World War II and Korean veterans. My bill will propose more liberal eligibility provisions than the combat or hot-spot bills, with an effective date nearer the Korean cutoff than most that have been thus far submitted.

While it is understandable that greater benefits should be provided for those serving in "hot spots," it is very disappointing that a program should be limited only to such veterans as the administration measure would propose. Remember, these young men had no control or choice over the area to which they were assigned. Remember also we plan to spend several billion more dollars on our race to the moon. We have already allocated over \$1½ billion for the anti-poverty program. It has been announced we plan to continue our costly foreign aid program. Then why is it we cannot find a way to provide generous benefits to these young men who are sent to support our foreign policy and respect for our flag.

The question might well be asked, Is it not wiser to spend national funds to help a man receive an education than it is to give him a relief check later as an untrained and uneducated person who cannot find a job? The burden of military service does not fall on all alike. The very least a grateful nation can do, in my judgment, for these young veterans who have lost time from their normal lives in order to serve their country, is to provide benefits that they may equip themselves to reenter the mainstream of life and live as Americans should—free, productive, and self-supporting.

This Congress must meet its responsibility to our returning veterans as earlier Congresses have done. The time has come for less talk and more action. Now is the time to get on with the job of passing a good GI bill. Above all, let us pass a bill that is not a cutrate piece of legislation, watered down by administration proposals to omit home or farm loan provisions and omit also on-the-job or on-the-farm training provisions. May there be no radical departure from the time-honored philosophy expressed in the previous GI bills which provided generous benefits for a man's willingness to put his life on the line for his Nation.

#### FEDERAL ACTION NEEDED TO CRACK DOWN ON HIGHWAY DEATHS

The SPEAKER. Under previous order of the House, the gentleman from

New York [Mr. HALPERN] is recognized for 10 minutes.

Mr. HALPERN. Mr. Speaker, it was my privilege to serve for 7 years as chairman of the New York State Joint Legislative Committee on Motor Vehicle Safety, and I am heartened to see that the programs we initiated then, such as the driver education program, have served as models for many other States. But there is a clear need for Federal action in this area, too, and if we want to make the 89th Congress a truly historic session, we must enact legislation to eliminate the carnage on our highways.

There is a definite need for a Federal role here, for if ever there was an interstate instrument it is the automobile. Clearly, action at the national level is needed to effectively supplement State efforts. I have introduced legislation to provide a comprehensive Federal program to attack the mass murder on our roads which claims the lives of 1,000 Americans every week. And I urge my colleagues to join in solving this appalling and ever mounting problem.

My bill, H.R. 9629, is a broad measure designed to provide the States with the Federal assistance they require. The bill establishes a traffic safety center in the Department of Commerce and assigns it the responsibility for coordinating all Federal and State efforts toward mitigating traffic accidents. It provides incentives for States to establish and improve motor vehicle inspection and driver education programs; promotes research and development necessary for the production of safer cars; and lays the groundwork for standardizing minimum safety requirements, traffic control devices, accident reporting, and driver licensing. In addition, the bill would create an Advisory Council on Highway Traffic Safety, consisting of experts in the field, to assist in drafting of national standards.

This legislation is a companion bill to S. 2231, introduced in the Senate by Senator RIBICOFF—a great leader in the cause of traffic safety—and cosponsored by Senators BARTLETT, LONG of Missouri, MONDALE, and TYDINGS. I think that the need for Federal action in this area, which we have recognized and advocated, has been clearly corroborated by the intensive investigation of the American Trial Lawyers' Association. I can highly commend to my colleagues, and to all who are concerned with this problem, the association's excellent study, "Stop Murder by Motor," which was just released this month. I salute the association's president, Mr. Joseph Kelner, for this outstanding example of public service, in this critical area. And I strongly urge the House Public Works Committee and the Senate Commerce Committee to schedule early hearings on this important legislation.

One simply cannot exaggerate the havoc and the human misery wrought by traffic accidents. More Americans have been killed on our highways in the last 25 years—1,510,000—than have died in all the wars from the Revolution up to Vietnam—605,000. In 1964 alone, 1.7 million Americans were injured in traffic

accidents—precisely the same number as the total hospital beds in the entire United States. Latest statistics show that last year's deaths on U.S. highways totaled over 50,000. These ever-growing figures are outrageous, but they are starkly realistic and something must be done about it. The time for bold and forward-looking action is long overdue, and we must not lose any time in making an all-out attack on the highway death toll.

The National Highway Traffic Safety Center, which my bill seeks to establish, would work with the States in developing adequate standards of vehicle safety, strict licensing and inspection requirements, and driver education programs for secondary schools. In 1962-63, only 60 percent of our public schools offered driver education programs, and only 24 States provided financial support to these programs. When one considers that about 8,000 children of secondary school age reach driving age daily, I think it becomes clear that a more determined effort is required to afford them the instruction they need and deserve.

In addition, the Federal Government must take the lead in establishing uniform safety standards for automobiles, as it has for airplanes and trains. The recent contribution of \$10 million by the auto industry, to the Highway Safety Research Institute at the University of Michigan, evidences its recognition of the fact that more work needs to be done in the promotion of motor vehicle safety. Senator GAYLORD NELSON has observed that 87 percent of all accidents occur at speeds of 35 miles per hour and below, and that countless lives could be saved each year if cars were equipped with such modest devices as collapsible steering columns, shoulder harnesses, and doors which would remain closed in a crash. Senator NELSON has long and actively sponsored legislation to promote the production of safer cars, and I believe that his bills, too, represent the kind of responsible, progressive action which is needed at the Federal level.

Mr. Speaker, there is obviously no panacea solution to this grievous problem, but a number of excellent measures have been introduced in this Congress, all of which take cognizance of the need for imaginatively conceived and vigorously implemented Federal action. The need for Federal action is clear beyond doubt; the nature of this action may require more precise delineation. I believe, however, that my bill and those introduced in the Senate, go a long way toward defining the role which the Federal Government should be playing, and are specific and thoughtful enough to warrant the immediate attention of the appropriate committees.

#### VIETNAM—LET US CLOSE THE CREDIBILITY GAP

The SPEAKER. Under previous order of the House, the gentleman from Wisconsin [Mr. LAIRD] is recognized for 20 minutes.

Mr. LAIRD. Mr. Speaker, leaks from the White House—the principal source of information these past weeks on de-

velopments in Vietnam—indicated last week that the administration planned to return to the policy of bombing selected targets in North Vietnam. The public relations campaign for this reversal of policy got underway with a conference at the White House between administration policymakers and leaders of the Congress followed by the announcement from anonymous informed sources that most congressional leaders "are taking a harder position than when they went home after the last session."

Some reports suggest that American troop strength in Vietnam will be more than doubled and could exceed by 60 percent or more the number of troops sent by this Nation to Korea.

Mr. Speaker, I worry—as do our colleagues on both sides of the aisle—about the conduct of this tragic war in Vietnam—about the unexplained shifts of policy, the starting and stopping of bombing in the North, the failure to make any real progress after the commitment of 200,000 American troops, the uncertainty about our objectives, the failure to divulge information which those who sacrifice in this war have a right to be told, and the gap between what they are told and reality.

After the decision was made to escalate this war on the ground, along with others of both major parties, I have made public suggestions such as a Kennedy-type quarantine of North Vietnam. My purpose, whenever I have made such policy suggestions, has been to urge a course that would safeguard the freedom and independence of South Vietnam with a minimum loss of American lives. No one can argue against a policy that would value the lives of our gallant servicemen so highly that not one soldier, not one sailor, nor one airman would be unnecessarily sacrificed. I hope and pray that the administration will seek to minimize American casualties in southeast Asia.

On this point serious doubts have been expressed by responsible public spokesmen. For example, former Air Force Chief of Staff, Gen. Curtis LeMay, on October 22, 1965, is reported to have said that U.S. actions in Vietnam up to that time "were getting people killed who should not be killed." More recently, reliable newsmen on the scene in South Vietnam have been reporting that the cessation of air attacks on the North has given the enemy the opportunity to increase and strengthen significantly the forces against which American troops will be fighting.

One columnist, Joseph Alsop, writing from Saigon in a column published on January 26, 1966, in the Washington Post, reports:

The pause for the peace offensive has allowed all the worst damage to be repaired, new defenses to be moved into place, and huge forward stockpiles to be built up for added pressure on the South. Thus most of the fruits of the hard effort of the last 8 months have now been thrown away.

Worse still, however, has been what may be called the morale loss in the North. It is a truism that just as the South Vietnamese build their hopes on confidence in America's strength of will, so the North Vietnamese build all their hopes on the belief that America lacks the strength of will to survive the

present test. Every Vietnamese expert in the service of the U.S. Government agrees on this point.

Every sign indicates that the peace offensive has strongly bolstered this North Vietnamese belief that they can count on victory in the end, because the United States is basically weak willed.

Their main response to the peace offensive has been to push into South Vietnam, with much aid from the bombing pause, more and more of North Vietnamese regular troops. So many are now present in the South that they add up to a major invasion.

When the country is at war with 200,000 troops in the field, the only serious consideration should be the gains and losses in the war. And as far as the war is concerned, the balance sheet shows no gain and much loss.

The Secretary of Defense has acknowledged the serious military loss for the United States and South Vietnam resulting from the removal of any effective military pressure on North Vietnam. He asserts, however, that "these military penalties are a small cost to pay because the United States is achieving the goal of showing the world that we want peace."

He does not tell us in specific terms what the gains and benefits have been so that we can judge whether they are in fact adequate compensation for increased American casualties. They have not been enough to lead any additional nations—even among our SEATO allies—to send a division or even a company to fight with American and South Vietnamese troops. These gains have not cut off the flow of goods carried on ships flying the flags of our allies to North Vietnam. What concretely have we gained by the so-called peace offensive? What foreign nation that opposed the policy of the United States before the peace offensive is now ready to endorse it?

Mr. Speaker, all Americans earnestly, ardently want peace. There are no warhawks here. The warhawks are in Hanoi, Peiping, and Moscow. To attain peace without abject surrender of South Vietnam to the Communists, our enemies must want peace. Any reading of the latest Mansfield report would convince one that Hanoi and Peiping do not want peace now except under terms similar to the Laos agreement.

Although the Constitution expressly confers on the Congress the power to declare war and although this Nation is in fact at war—as the President has said—the Congress today finds itself unable to provide even useful advice to the administration because it does not know enough of the facts needed to form valid judgments.

For 2 years, the press has been predicting a great debate in Congress on Vietnam. There has been none. Epithets such as "McNamara's war," "hawks," and "doves" have been heard in the Congress, but little calm and reasoned debate. The debate, such as it is, has gone on in teach-ins and demonstrations, often by uninformed people substituting publicity gimmicks for logic.

It is time for this long-deferred debate to get underway in the Congress. Now, as policy is again changed, is the appropriate hour.

Mr. Speaker, the debate will be constructive and informed only if it is begun with a full report from the President clearly and specifically stating the Nation's current objectives in Vietnam, reviewing the conduct of the war so far, and presenting the facts which argue for and against the various courses of policy now open to the Nation in Vietnam. Perhaps the debate should be stimulated by a new congressional resolution on Vietnam.

The need for a report from the President to the Nation is clear to anyone who has read the report on Vietnam by a group of U.S. Senators headed by the distinguished majority leader of that body. This group made its tour of southeast Asia and conducted its study at the request of the President. Its report to the Foreign Relations Committee of the Senate has been issued under the title, "The Vietnam Conflict: The Substance and the Shadow."

Senator MANSFIELD, who has made several earlier trips to Vietnam, thoughtfully included in this report as an appendix the report which he and another group of Senators made after completing a similar mission 3 years ago.

This latest Mansfield report has received much attention in the press. Its conclusions have been characterized rightly as grim. It concludes by reporting:

The situation, as it now appears, offers only the very slim prospect of a just settlement by negotiations or the alternative prospect of a continuance of the conflict in the direction of a general war on the Asian mainland.

It offers little hope of a satisfactory peace by negotiations and finds "the only visible alternative" to be "the indefinite expansion and intensification of the war which will require continuous introduction of additional U.S. forces."

I am surprised that this somber assessment has not stirred more alarm than it has. I am equally surprised that the administration has expressed no opinion on the conclusions of this report. If it is an accurate assessment, I cannot understand the failure of the administration to alert the Nation to these grave dangers before they were reported by Senator MANSFIELD's delegation. If it is an inaccurate assessment, it is incumbent on the administration to correct its errors.

The Mansfield report, if sound in its conclusions, is a more stinging indictment of the administration than any which I have encountered.

A comparison of this latest Mansfield report with its predecessor of 3 years ago indicates that substantial Communist gains took place between the start of 1963 and early 1965. On February 25, 1963, Senator MANSFIELD offered this appraisal of the outlook in South Vietnam:

Success was predicted to the group almost without exception by responsible Americans and Vietnamese, in terms of a year or two hence. The word "success" is not easy to define in a situation such as exists in South Vietnam. It would mean, at the least, a reduction of the guerrillas to the point where they would no longer be a serious threat to the stability of the Republic. If that point is reached, road and rail communications

would once again become reasonably safe. Local officials would no longer live in constant fear of assassination. Rice and other major commodities would again move in volume to the cities. Development throughout the nation would be feasible. In short, the situation in South Vietnam would become roughly similar to that which eventually emerged in Malaya, and it is significant that a good deal of the present planning in South Vietnam is based upon the Malayan experience.

While such a situation would fall far short of the development of a bastion in South Vietnam, as the objective has been described on occasion, it would, nevertheless, be adequate to the survival of free Vietnam. It would not necessarily permit any great reduction in U.S. aid to the Vietnamese Government for some years, but it would, at least, allow for a substantial reduction in the direct support which American forces are now providing to Vietnamese defense.

Although the 1963 report expresses some caution about the "rapid accomplishment" of these goals, they were clearly in sight.

What a contrast is the 1966 report. It describes the situation in South Vietnam early in 1965 as "near desperate." It goes on to say:

After the assassination of Ngo Dinh Diem, repeated coups had weakened the cohesiveness of the central authority and acted to stimulate public disaffection and indifference to the war. At the same time, there was a greatly accelerated military drive by strengthened Vietcong forces. Their control expanded over large areas of the country, particularly in provinces adjacent to the western borders. Communications and transportation between population centers became increasingly hazardous, except by Vietcong sufferance. In short, a total collapse of the Saigon government's authority appeared imminent in the early months of 1965.

At present, after the commitment of 200,000 American troops, the Mansfield report declares:

The overall control of the country remains about the same as it was at the beginning of 1965.

Mr. Speaker, I have called this Mansfield report an indictment of the administration. For example, during the period when the optimistic hopes of South Vietnam were dashed and the situation became desperate, there was no frank statement from administration leaders informing the public of the disaster. The administration did not revise its prediction of October 1963 that American troops would be withdrawn by the end of 1965. The dominant theme of Presidential utterances was that the United States would not widen the war, and would not send American troops to do fighting that Asian troops should do. The Secretary of State assured the public that our plans "pointed the way to victory" and that there was "steady improvement" in South Vietnam.

In January 1965, when according to the Mansfield group the Saigon government was near "total collapse," the President delivered his state of the Union message assuring the Congress that things had improved so much on the international scene that "today we can turn increased attention to the character of American life."

Vietnam received only 140 words in the 1965 state of the Union message, and none of them had the tone of urgency.

This year the state of the Union message, though wordier about Vietnam, was again completely devoid of any information about the progress of the war.

In short, the administration has not been candid with the American people. When Ambassador Goldberg publicly acknowledges that a "crisis of credibility" hampers the administration, it is clear that something is seriously wrong with the administration's public information program. There is nothing wrong, however, that candor will not correct.

Let me suggest some of the questions to which the administration should now give frank answers:

First. What facts support Secretary McNamara's recent statement, "We have stopped losing the war"? When were we losing it and when did the change take place?

Second. How much, and in what ways, did the bombing of North Vietnam between February and December of 1965 impede the military and economic activity of the enemy?

Third. What is the balance sheet in concrete terms of the peace offensive and the bombing pause? What advantages and what losses have resulted or will result for the United States and South Vietnam?

Fourth. To what degree are the military and economic efforts of North Vietnam sustained by goods brought in by sea? What flags do the ships involved fly?

Fifth. Would the administration agree to an end to hostilities on the basis of an agreement like that which was reached on Laos in 1962, giving Communists a place in a coalition government and a veto in the commission established to supervise the execution of the agreement?

Mr. Speaker, these are some of the questions that cry to be answered publicly and authoritatively. With this information the Congress and the public could better judge the effectiveness and wisdom of past administration policy and aid the administration in moving wisely in the future.

Unless there is a full report to the Nation on Vietnam, the administration will find it increasingly difficult to hold the support and the confidence of the public.

#### VIETNAM PROBLEM

Mr. HUNGATE. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. WOLFF] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. WOLFF. Mr. Speaker, this is a sad day indeed.

The acknowledgment that all our efforts toward peace have been of no avail, and that a resumption of the bombing of

North Vietnam has been ordered, is a serious blow to those of us who have urged an exhaustive exploration of every possible chance for negotiations.

However, at long last, we have overtly moved toward the United Nations. This has been the recommendation of many of us in Congress. As recently as 2 weeks ago many of my colleagues and I sent a letter to the President urging him to put this problem before the U.N. Now that move has been made. Let us pray that this international body will bring understanding from the chaos and that we will see an end to the killing and wanton destruction wrought by this dreadful war. Let us hope, as well, that all other impediments to peace are swept aside and that all parties to the war—Peiping, Hanoi, the National Liberation Front, and South Vietnam—are brought to the peace table so that a lasting peace will ensue. For this is what we seek—a peace that will be secured by a mutual understanding that brute force and aggression does not solve problems, but creates them.

Never before in times of adversity has there been as much divergence of opinion within our citizenry. We must insure that which we fought for in Vietnam—true freedom—by enlisting the support of all Americans in common purpose. I speak for my constituency who truly seek peace and are concerned lest even the slightest avenue be overlooked.

As an individual Member of Congress, I have made three separate trips to Vietnam at my own expense to gather as fully as possible the facts necessary to sustain informed judgment and appraisal. I have attended weekly briefings by State and Defense Department officials and joined with his Holiness Pope Paul in calling for a Christmas truce. I have been in constant touch with the President, urging that all efforts be extended in exploring every possible avenue to peace. I have in progress a survey of the opinion of the residents of my district to guide me in representing them before the Congress. I have held four town meetings so that the people in my district can directly communicate their views to me. There is no door closed between my constituency and my office for residents to articulate their views in guiding me. This is the way it must be in a democracy—and this same procedure must be followed between our various branches of Government to honestly interpret the views of the people of this Nation.

I have made numerous appeals in Congress and have joined my colleagues to bring reason to bear before precipitous action, just as today I am again calling for a concurrence and full debate by the House before further escalations are made and that the 1964 resolution passed by Congress is not a continuing mandate but one that requires constant review with changing circumstances and conditions. For many, including myself, are not aware of the full facts involved in arriving at decisions of the greatest importance to our people.

I am gratified to learn from the President's statement that determined efforts

will continue to explore all possible roads to peace.

#### NATIONAL SCIENCE FOUNDATION

Mr. HUNGATE. Mr. Speaker, I ask unanimous consent that the gentleman from Connecticut [Mr. DADDARIO] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. DADDARIO. Mr. Speaker, during the past 15 months, through its Subcommittee on Science, Research, and Development, the Science and Astronautics Committee has conducted a review of the National Science Foundation. That activity has resulted in a report entitled "The National Science Foundation: Its Present and Future," which is now submitted to this body as a House report.

The main thrust of the report is simple. It is based on the premise that a large portion of our Nation's welfare in the future rests with science and technology—and that a more active and stronger Foundation will be necessary if we are to secure that welfare.

The report itself is relatively complex and sophisticated, if for no other reason than that it is dealing with complex and sophisticated matters. Hence, it attempts to describe some of the background of government-science relationships and to highlight the current extent and nature of these relationships as a basis for its rationale. Indeed, our subcommittee spent months in studying these facets before it ever began hearings, and the hearings in turn were carried on over a period of 7 weeks.

This is the first general legislative review of the National Science Foundation since it was founded more than 15 years ago. It is natural that within that period, during a time when there has been more concentrated scientific growth than in any other period of our history, changes have occurred which demand our attention and compel us to close examination and recommendations in keeping with the shifting scene.

There can be no doubt about the importance of the National Science Foundation in a world which looks to us for leadership. The Vice President, the Honorable HUBERT H. HUMPHREY, placed this in a most succinct perspective the other day when he addressed the committee's Panel on Science and Technology. He pointed out that the exportation of knowledge and know-how was as important as the exportation of capital in relieving the critical needs of the world. This is a proposition with which few will argue.

We believe that this report contains important suggestions for strengthening the National Science Foundation so that it may fulfill its unique role in the development and growth of knowledge. We face a challenge in too many fields to enumerate where only knowledge can provide solutions.

I commend this report to my colleagues for their study.

#### INDEPENDENT BANKERS OPPOSE GRAB BY CHASE MANHATTAN BANK TO FURTHER CENTRALIZE BANKING IN NEW YORK STATE AND FURTHER WEAKEN THE DUAL BANKING SYSTEM

Mr. HUNGATE. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. PATMAN] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. PATMAN. Mr. Speaker, what with a half dozen or more giant banks in New York with assets exceeding \$1 billion, as well as a long history of holding company operations, it is not inaccurate to say that banking in the State of New York is tending more and more toward superconcentration and eventual monopoly.

By at least two separate rulings from his Office, Comptroller of the Currency Saxon has given permission for Chase Manhattan Bank, N.A., a \$11 billion financial behemoth, to acquire the stock of the Liberty National Bank & Trust Co., of Buffalo, itself with assets of over one-third of a billion dollars.

The Independent Bankers Association of America is opposing this shocking and disturbing move by Chase in the hopes that independent banking and free competition may not be further eroded in New York State.

Following is the association's brief in opposition to Chase Manhattan's application under the New York holding company law:

NEW YORK STATE BANKING DEPARTMENT—APPLICATION OF CHASE MANHATTAN BANK, N.A., PURSUANT TO SECTION 142(1)(b) OF THE BANKING LAW OF THE STATE OF NEW YORK FOR PRIOR APPROVAL, TO ACQUIRE AT LEAST 80 PERCENT OF THE CAPITAL STOCK OF LIBERTY NATIONAL BANK AND TRUST COMPANY OF BUFFALO—BRIEF IN OPPOSITION TO APPLICATION BY INDEPENDENT BANKERS ASSOCIATION OF AMERICA

To the Banking Board of the State of New York:

The Independent Bankers Association of America appreciates this opportunity extended by your chairman, Mr. Frank Wille, to present its views in this brief in opposition to this application. The association has a membership of more than 6,300 banks, including 107 in New York State.

In its 35 years of existence, the IBAA has stood for the preservation of competition in banking and against the devices which lead to concentration in banking.

Our association and the Independent Bankers Association of the 12th Federal Reserve District were active in securing enactment of the Bank Holding Company Act of 1956.

The IBAA opposes the acquisition proposed in this application because if approved it could become a pattern for expansion of the power of large banks not only in New York State but throughout the country.

#### BASIC CONSIDERATIONS

Section 142(1)(f) states among other factors, that "the banking board shall take into consideration . . . primarily, the public interest and the needs and convenience thereof." This factor would appear to exhort the board to view this proposal in the light of its impact upon banking customers, not

merely the interest of the banks involved; in the light of the impact upon the economy of a repetition of such proposals, not merely the effect these may have on the banking structure of the future.

The proposal in this application concerns two national banks and involves a device beyond the contemplation of any of the Federal regulatory laws. It falls outside the ambit of the Federal laws regulating branches, mergers, and holding companies. If this device finds approval in New York, it will encourage further such acquisitions, not only in New York but elsewhere, particularly in those States not having holding company legislation. There would be nothing to stop a national bank from acquiring a National or a State bank across the State line in an adjoining State or in a distant State.

The ease of accomplishing the acquisition makes this device the more dangerous. There is no need to raise fresh capital, for the acquiring bank's own funds may be used. Better than this, a tax-free stock exchange can be arranged, with no cash whatever involved. Since no new holding company is formed, no public offering of stock or securities clearance is necessary. All that is required is a large bank having marketable stock offering an almost irresistible tax-free stock exchange to the stockholders of the bank to be absorbed.

Such a free-wheeling device would have a serious impact upon the dual banking system. While large national banks would be taking control of smaller State and National banks, State banks under State laws in most cases could not do likewise. The result would be that large national banks would become larger while State banks would have no corresponding means of expanding.

This new tool for expansion would be useful only to the large national banks having readily marketable capital stock. It would not only help the big to get bigger, but would add more momentum to the rapid trend toward banking concentration.

We intend in this brief to develop these basic considerations. In doing so, our main emphasis will be upon primarily, the public interest, rather than upon each and every factor listed or referred to in section 142.

#### THE PROPOSED ACQUISITION EXCEEDS THE ACQUIRING BANK'S POWERS

The power of Chase to acquire the stock of Liberty must be derived under Federal law, both being national banks. The banking board of New York has the right to question and determine the power of Chase in this instance because Chase proposes to become a holding company by this application, and as such submits itself fully to the legal scrutiny of the banking board by virtue of section 141 defining "banking institution" as including a national bank and "bank holding company" as including a banking institution which may be a national bank.

The banking board has the discretion to approve or disapprove the application.

Furthermore, the Federal law specifically reserves to the States the right to regulate bank holding companies (12 U.S.C. sec. 1848; Bank Holding Company Act, sec. 7). Both State and National banks are included within the definition of national banks in the Federal law (12 U.S.C. 1841; Bank Holding Company Act, sec. 2).

Chase is specifically prohibited from acquiring the stock of Liberty under 12 United States Code, section 24, the pertinent part of which reads:

"Except as hereinafter provided or otherwise permitted by law, nothing herein contained shall authorize the purchase by the association for its own account of any shares of stock of any corporation."

The only stock acquisitions specifically permitted under the Federal law are the

federally chartered corporations listed in section 24.

We therefore inquire into the phrase "or otherwise permitted by law." In public statements, the Comptroller of the Currency has indicated that this acquisition is within the "implied powers" of a national bank. The courts in many cases have repeated that:

A national bank can rightfully exercise only such powers as are expressly granted by Federal statutes, or such incidental powers as are necessary to carry on the business of banking, for which it was established (10 Am. Jur. 2d "Banks", sec. 271, citing several U.S. Supreme Court decisions).

A review of these court decisions will show that the courts interpret incidental powers more strictly against banks than other corporations. For example in connection with branches the courts have consistently held:

"It is well recognized that in the absence of express statutory authorization a bank has no right to establish branch banks. (*F&M Savings Bank v. Department of Commerce*, 1960, 102 N.W. 2d 827, 829, citing 9 C.J.S. "Banks and Banking" sec. 55; 7 Am. Jur. "Banks" section 23; and Annotations, 50 A.L.R. 1340 and 136 A.L.R. 471).

The F&M case further states:

"It appears from the decisions and administrative interpretations that the policy of the law is that banks are not allowed to exercise functions not strictly authorized by law. (*Bruner v. Citizens' Bank*, 134 Ky. 283, 120 S.W. 345).

The law of incidental powers is to the effect that since a statute cannot enumerate the powers of a corporation or a bank down to the purchase of postage and pencils, the common law will imply these inherent powers which are absolutely necessary to carry on the business for which it was formed. It is torturing the doctrine of incidental powers to embrace within it the power of a bank to buy another bank not absolutely necessary to the corporate functioning of the acquiring bank.

In the words of section 24, the attempted acquisition by Chase of the stock of Liberty is not provided within the section nor is it otherwise permitted by law, and it is absurd to contend that the control of a bank several hundred miles distant is necessary to carry on the business of banking by Chase in New York City.

Furthermore the Federal law specifically prohibits Chase from carrying on the banking business in Buffalo. The Federal law, 12 U.S.C. 81, provides:

"The general business of each national banking association shall be transacted in the place specified in its organization certificate and in the branch or branches, if any, established or maintained by it in accordance with the provisions of section 5155 of the revised statutes, as amended by this act." (Referring to section 36 concerning branching.)

Thus, Chase can legally carry on the banking business only in its main office in New York City and each of its established branches. If Chase claims that it is "necessary to carry on the business of banking" in Buffalo and thus within its incidental powers listed in section 24, the claim fails because it exceeds the guidelines for implied powers of banks under the common law and fails with finality under the clear language of section 81.

Therefore, from every view, the banking board cannot approve this application because to do so would be to permit Chase to exceed its powers. By virtue of the saving clause in the Federal Bank Holding Company Act, the banking board acting under State law is the supreme authority in this matter. If it decides that the proposed acquisition would exceed Chase's powers and would therefore be unlawful, this would conclude the matter without the need of weighing the economic factors.

A contrary determination by the Comptroller of the Currency would be of no effect, and in no event would be binding upon the banking board.

Any ruling of the Comptroller contrary to Federal or State law is of no consequence, may be judicially restrained, and is void. The Comptroller has no discretion whatever to approve any application which would result in violation of Federal or State law. *Wayne Oakland Bank v. Gidney*, 252 F. 2d 537 (6th Cir., cert. denied, 258 U.S. 838; *Commercial State v. Gidney*, 174 F. Supp. 770, 778, aff'd. 278 F. 2d 871 (D.C. App. 1960).

#### DUAL BANKING CONSIDERATIONS

The "dual banking system" is an accommodation between Federal and State laws and regulations which assure competitive equality between banks in both systems in any competitive area.

Starting 60 years ago Congress adopted and ever since has adhered to the principle that in all of the basic areas of banking national banks shall adhere to restrictions imposed on State banks by State law. This principle is based on the practical premise that each State is best able to decide what kind of banking structure it needs and wants.

Thus, the National Bank Act adopts State standards for national banks as to bank holding companies (12 U.S.C. sec. 1846); branching (12 U.S.C. sec. 36(c)); interest rates on savings (12 U.S.C. sec. 371); interest rates on loans (12 U.S.C. sec. 191); trust powers (12 U.S.C. sec. 668); capitalization (12 U.S.C. sec. 51); securing public money deposits (12 U.S.C. sec. 90); taxation (12 U.S.C. sec. 548) and as to other basic areas.

Specifically as to holding companies, Congress and the courts have made it clear that the States may enact and enforce laws more restrictive than the Bank Holding Company Act of 1956, even to the point of prohibiting the formation or freezing bank holding companies existing in the State.

Congress intended specifically that State laws regulating bank holding companies should be supreme if they were more restrictive. Congress had no intention of preempting the field. The Senate report states in part:

"In any event, another provision of this bill (now section 7) expressly preserves to the States a right to be more restrictive regarding the formation or operation of bank holding companies within their respective borders than the Federal authorities can be or are under this bill. Under such a grant of authority, each State may, within the limits of its proper jurisdictional authority be more severe on bank holding companies as a class than (1) this bill empowers the Federal authorities to be or (2) such Federal authorities actually are in their administration of the provisions of this bill. In the opinion of the committee, this provision adequately safeguards States' rights as to bank holding companies." (Senate Rept. No. 1095, 84th Cong., 2d sess., vol. 2, 1956 U.S. Code Cong. and Admin. News, p. 2492.)

Commenting upon the right of the State of Louisiana to bar the formation of bank holding companies within its borders, the U.S. Supreme Court stated:

"Again, the board (FRB) could not approve a holding company arrangement involving the organization and opening of a new bank if the opening of the bank, by reason of its ownership by a bank holding company, would be prohibited by valid State law." (*Whitney National Bank v. Bank of New Orleans and James Saxon, Comptroller*, 379 U.S. 411, 1965).

Recognizing its rights to control holding companies, the State of New York enacted a freeze law in 1957, later removing it for a regulatory act (L. 1960, c. 237, reenacted by L. 1961, c. 146). This latter enactment is more restrictive than the Federal act, covering as it does a one-bank holding company

where a bank is the parent, as in this application.

The preamble to the New York Holding Company Act states its purpose in broader and more incisive terms than the Federal act, going so far as to state that, "It is hereby declared to be the policy of the State of New York that appropriate restrictions be imposed to prevent statewide control of banking by a few giant institutions; \* \* \* that competitive as well as banking factors be applied by supervisory authorities in approving or disapproving \* \* \* the operation of bank holding companies \* \* \*."

Without being familiar with the attitude of the New York Legislature, it would appear from this immediate past legislative history that New York State felt it desirable to go beyond the restrictions of the Federal act of 1956 by freezing holding companies by the State act of 1957, then by removing the freeze shortly afterward but keeping restrictions at least as tight as those at the Federal level, and by going so far as to include a one-bank holding company where a bank is the parent.

It is interesting that the House of Representatives in the last Congress adopted amendments to the Federal act which would extend it to one-bank holding companies, and that the Senate is considering a like bill in the present Congress.

If the intent of the New York Holding Company Act is to be at least as restrictive as the Federal act, then there are two restrictions in the Federal act which should be considered in connection with this application, if the dual concept is to have meaning. (It is true that the Federal act applies only when two banks are involved, but as a practical matter, two banks are involved in the present application, the only difference being that instead of the larger bank being the parent a third-party corporation is the parent.)

The first important restriction under the Federal act is that the resources of one bank cannot be used to acquire another subsidiary bank. This is condemned by Congress as "bootstrap" expansion. (12 U.S.C. 1845(a) (1); H. Rept. No. 609, 84th Cong., 1st sess., May 20, 1955, H. misc. repts. vol. 3 and S. Rept. No. 1095, 84th Cong., 2d sess.)

The second important restriction in the Federal act is that a bank holding company must divest itself of and cannot acquire capital stock of a nonbanking corporation (12 U.S.C. sec. 1843). House Report No. 609, cited above, states in part:

"The need for immediate legislation which would at the same time control the future expansion of bank holding companies and force them to divest themselves of nonbanking business has been established to the complete satisfaction of your committee."

In the instant application, Chase is using its stock to acquire the stock of Liberty by an exchange. If this were done through a third-party holding company created by Chase, the transaction would be prohibited under the Federal act. If it is against the public interest in one case, why is it less so in the other? The difference would seem to be one of form rather than substance.

As to ownership of nonbanking business, Chase presumably would continue to hold the controlling stock of Diners Club if this application were approved, while it could not do so under the Federal act.

It is true that the Federal act would apply only if a third-party corporation created by Chase as a holding company were the applicant. But, here again, the difference would appear to be one of form rather than substance. If it is against the public interest for a bank holding company to hold stock in a nonbanking business under the Federal law, is it less so under the New York law?

We find no authority in the New York Holding Company Act which would authorize an approved holding company to hold stock in a nonbanking business such as Diners Club. It is apparent that if a New

York State bank were to assume the position of Chase in the instant application, it would not have been permitted to acquire Diners Club in the first place because, as we understand it, section 97 of the New York law relating to bank powers has been interpreted in the past to authorize a State bank to acquire stock only in bank-related corporations necessary to its business, such as stock of a bank building corporation, a data processing service company, a safe deposit company, and the like.

It escapes our understanding that the Diners Club in any sense can be regarded as bank-related since it certainly cannot be incidental to the operation of the offices of Chase in the New York City area to provide a Texan visiting in Oregon with charging privileges for his meals and hotel room.

It is obvious that the Comptroller of the Currency, instead of seeking competitive equality is rather seeking to establish supremacy of the national banking system by every means. His preoccupation with this goal has marked his administration of the office from the beginning. (See Conflict of Federal and State Banking Laws, hearings before the House Banking Committee, May 1963, pp. 19-25).

In the instant matter, the Comptroller approves of Chase owning controlling stock of Diners Club and of acquiring the controlling stock of Liberty in order to expand the power, influence and opportunity for profit of this recently converted national bank, in spite of the clear restrictions on national bank powers.

For the Banking Board to approve Chase's application would be to place its stamp of approval upon the actions of the Comptroller in excess of his authority and, unless the Banking Board can see itself approving similar acquisitions by a State bank, it would do violence to the dual banking concept.

Inherent in the dual system is the ideal that the supervisory authority on either side should act with restraint in administering the banking laws in his charge. To be unduly harsh would be to drive banks from one system to the other and to be overliberal in interpreting the laws would be to induce banks from one system into the other. Lack of restraint in either case is to be avoided if reasonable accommodation between the two systems is to continue. If the Banking Board would not approve an acquisition by a State bank, in a case identical to that of Chase, it should deny this application.

#### PRACTICAL CONSIDERATIONS

We urge that the Banking Board consider the consequence of its decision, as the courts often do, in determining whether to approve this application. It is especially fitting to do this because the act states that the Board should consider "primarily, the public interest," as well as the competitive and concentration factors.

If the Board approves this application, it will encourage the other giant banks in New York City to acquire control of other large banks in the State outside of their district. If approval is given to Chase to acquire Liberty on the other side of the State, little or no ground would exist to deny other like applicants. Every large bank wants to expand its influence and opportunity for profit, and approval of the Chase application may well start a rash of such applications, not limited to New York City banks.

Our association is frankly worried that approval of this acquisition in New York would set a precedent for acquisitions in many States by national banks of other National and State banks. The rationale of national banks everywhere is easy to forecast. If a giant bank in New York City can acquire a large bank several hundred miles away, why cannot our bank acquire X bank only 100 miles away? If a huge bank like Chase can acquire a \$373 million bank, why cannot our

\$100 million bank acquire a \$50 million bank?

If the Chase application is approved, the large size of the banks and the great distance between them will form such a large permissive framework that almost all similar applications engendered by the approval would seem small in comparison, as to both size and distance.

Comparatively few States have bank holding company regulations, and few if any have a law so comprehensive as New York's. According to the last information available, half the States have no holding company legislation whatever.

Considering the ease of using a tax-free stock exchange for the acquisition of one bank by another, the lack of any Federal holding company control where only one bank is being acquired, and the lack of similar control in almost all of the States, it will readily be seen that national banks almost everywhere will explore the possibilities around them once the pattern is established. The resulting boost to the power and prestige of the national bank system is readily apparent.

Judging from the record to date of the present Comptroller, the endorsement by the Banking Board of the State of New York of his approval of the acquisition of the controlling stock of another bank and of a credit card company, would encourage him to undertake greater adventures. Soon the acquisition of stock of any corporation, no matter how slightly bank-related, would receive his blessing. Finally, State bank supervisors will look to their bank powers statutes and see more reasons in them than in the Federal statute for loosening the reins. It would be remarkable indeed if the State bank supervisors would continue to sit idly by while the Comptroller continues to expand his powers by fiat.

The place to end this new adventure is at its beginning, by denying the Chase application. The Banking Board has the weapon of denial, broadly based in the wide discretion afforded by the New York act, and should not hesitate to use it.

#### EFFECTS ON COMPETITION AND TENDENCY TO CONCENTRATION

In enacting the Bank Holding Company Act, the New York Legislature plainly states that it is the policy of the State "to prevent statewide control of banking by a few giant institutions \* \* \*."

For several years, mergers have been a key factor in the growth of the five largest New York City banks: Chase Manhattan, First National City, Bankers Trust, Chemical, and Manufacturers Hanover. From 1954 to 1961, these five increased their percentage of all banking offices in New York from 62 to 80. In the same period, the number of banking offices controlled by banks other than the big five shrank from 38 percent to less than 20 percent. (Pie chart exhibit in *U.S. v. Manufacturers Hanover Bank*, 240 F. Supp. 867, 1965).

The device in the Chase application points a way for these five banks to achieve sudden great growth outside of their districts without bothering with the merger or branching laws and without setting up a separate holding company. If each of these five banks were to acquire a large bank in five important cities in the State outside of New York City, would this not hasten statewide control of banking by a few giant institutions? If this first big step can be taken, it would not be much more difficult for each of these five giant banks to acquire subsidiary banks through tax-free stock exchanges.

Now, let us look at the competitive factor. Each time an acquired bank becomes a subsidiary in a holding company system it is removed from the competitive correspondent banking market and locked in by the rules and policies of its parent. No longer does the bank being acquired have any al-

ternate choices among the bigger banks who vie for its cash reserve deposits and offer it numerous services and loan participations, all on a competitive basis. It will be the customers of the bank being acquired who will ultimately suffer from such reduced competition.

There are two levels of competition in banking. The first is at the level where the local banks in the same competitive area are vying for the deposits and loans of local bank customers. The second level is where the larger city banks compete for the correspondent bank business of smaller banks or country banks. This correspondent business generates a large amount of deposits from the smaller banks to the larger banks and a compensating outflow of services and loan participations from the large banks to the small banks. Vigorous competition at both levels is highly desirable because it produces a variety of services and loans at fair rates at both levels.

To the extent that banks become subsidiaries in holding company systems and are removed from the competitive arena, the alternate sources open to the banking customer are reduced and competition as a regulator is reduced in effectiveness.

Vigorous competition in banking has been and continues to be deliberate national policy. Only by restricting the devices, such as presented in the Chase application, which lead to greater concentration and less competition in banking, will we be able to maintain competition as an effective regulator.

In the last study made by a congressional committee a rapid trend toward concentration in banking was noted by reason of holding company operations, branching and mergers. Chairman SPARKMAN summarized the findings of the 10-year study by the Federal Reserve Board as follows:

"Through mergers or absorptions, 1,311 independent banks were converted into branches and 4,824 new branch outlets were established.

"Of all the mergers and consolidations, nearly half were acquired by banks with assets of more than \$100 million. Putting it another way, 2.2 percent of all insured banks absorbed about half the banks that went out of business."

Branch banks, the study said, grew from 5 percent of all banking offices in 1921 to 44 percent in mid-1961.

The inexorable trend toward concentration in New York is readily apparent without resort to comparisons or statistics. Approval of the device in the Chase application would accelerate this trend.

#### CONCLUSION

For all the reasons stated in this brief, we urge the Banking Board to deny this application.

Respectfully submitted.

INDEPENDENT BANKERS ASSOCIATION  
OF AMERICA,  
HOWARD BELL, Executive Director.

#### FEDERAL RESERVE TIGHT MONEY POLICIES CAUSE BANKS TO RISK SECURITIES LAW VIOLATIONS IN WILD SCRAMBLE FOR NEW DEPOSITS

Mr. HUNGATE. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. PATMAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. PATMAN. Mr. Speaker, the Federal Reserve Board's tight money, high

interest campaign is causing bizarre side effects in addition to threatening the end of a record 5 straight years of economic expansion.

Our money market banks, faced with massive withdrawals of "hot" money of large corporate depositors, are frantically pursuing every possible means to attract new deposits. The Federal Reserve has refused to create sufficient bank reserves to meet the legitimate demand for new funds required by businessmen. Not surprisingly, many of these banks have turned to aggressive newspaper campaigns to promote savings bonds they are now offering to the general public to replace withdrawals by corporate depositors. These so-called bonds are nothing more than time deposits under a fancy name.

What is not generally realized, however, is that these deposits are considered securities within the meaning of the antifraud provisions of the Securities Act of 1933, administered by the Securities and Exchange Commission.

The following letter on this important problem was recently sent by me to the Honorable Manuel F. Cohen, Chairman of the Securities and Exchange Commission.

The letter follows in its entirety:

JANUARY 26, 1966.

HON. MANUEL F. COHEN,  
Chairman, Securities and Exchange Commission,  
Washington, D.C.

DEAR CHAIRMAN COHEN: This is with further reference to our previous correspondence concerning misleading newspaper advertisements by commercial banks of so-called savings bonds. As the Commission has previously acknowledged, such savings bonds—in reality, certificates of deposit (CD's)—are securities within the meaning of the Securities Act of 1933, fully subject to the antifraud provisions thereof.

Your Division of Corporate Finance informed me that a specimen of bank advertising of CD's which I had furnished the Commission contained objectionable and misleading language. While probably not serious enough to warrant criminal prosecution under the Securities Act, you did state in your last communication to me, dated October 18, 1965, that you would expect to be in communication with the appropriate Federal bank regulatory agencies in connection with this type of advertising should there be indications that its use is becoming widespread.

Unfortunately, I am afraid this is the case, due in no small part to the most recent restrictive action by the Federal Reserve System on the supply of bank credit. Banks have necessarily sought to increase their time deposits in order to satisfy the legitimate needs of their customers, frequently at the expense of other banks as well as thrift institutions.

While I agree that our private banking system should encourage healthy competition, I must express my strenuous objections to any type of advertising which is capable or likely to mislead the average citizen. I should also mention that up to now the Federal banking agencies have shown no interest in policing bank advertising. Nor is bank advertising subject to regulation by the Federal Trade Commission.

Enclosed are advertisements recently appearing in newspapers in New York City, Washington, D.C., and Atlanta, Ga., which, according to your previous communications, raise serious questions under the securities laws. I refer particularly to the practice of advertising these savings bonds in various series such as discount series, growth series,

and income series. You will note that two of the enclosed advertisements utilize this method of presentation which I would characterize as nothing more than a misleading gimmick. The third advertisement guarantees a "25.1 percent profit" on 5-year savings bonds which you have previously indicated as objectionable.

I am not suggesting that these banks are guilty of criminal fraud under the Securities Act of 1933 nor of any willful intent to deceive. However, there is little question that these advertisements are seriously misleading and that they are becoming more and more prevalent as our commercial banks are finding themselves deprived of adequate reserves. I, therefore, earnestly request that you communicate with the banking agencies in a mutual effort to eliminate such questionable and unethical advertising practices which do no credit to the banking industry and which are certainly not in the public interest.

Sincerely,

WRIGHT PATMAN,  
Chairman.

#### RURAL ORGANIZATIONS DENOUNCE INTEREST RATE HIKES

Mr. HUNGATE. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. PATMAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. PATMAN. Mr. Speaker, rural people are always hit hardest by any increase in interest rates. Farmers and the small businesses which operate in the rural areas of our Nation must depend on credit for their survival. They always suffer first when the Federal Reserve Board decides to hand the big banks another interest rate bonanza.

The Federal Reserve Board's latest interest rate hike was a tragic blow to many rural communities which have been trying desperately to revitalize and diversify their economy.

As a result, many leading organizations which represent millions of rural citizens are speaking out in a vigorous manner against the unwarranted action of the Federal Reserve. Both the National Farmers Union and the National Rural Electric Cooperative Association have always been advocates of adequate credit at a reasonable cost for their millions of rural members. Both of these organizations and many of their State and local affiliates have denounced the Federal Reserve Board's action.

I commend to my colleagues the following article which appeared in the January 1966 issue of the Rural Electrification magazine, the publication of the National Rural Electric Cooperative Association:

#### REFORM THE FED

NRECA is among the many consumer organizations registering protests against a recent Federal Reserve Board decision which increases interest rates—a move which is bringing on renewed demands for reforms in the Federal banking systems.

The 4 to 3 Fed decision, made December 3, raised the discount rate from 4 to 4½ percent, a 35-year high. At the same time the Board voted 6 to 1 to raise the interest ceiling on certificates of deposit of 30 days or more from 4½ to 5½ percent, an all-time high.

The effect of the Board's action is an increase of about 10 percent in interest costs to consumers. This results as businesses start to pass their higher credit rates on to their customers.

The official Fed position is that higher interest and tighter money is needed to fight inflation. But representatives of the borrowing public strongly disagree with that premise.

NRECA said that higher interest rates in themselves are inflationary because they result in higher costs for all goods and services.

"They (high interest rates) are particularly hindrance to rural people who depend heavily upon a number of credit programs for which low interest is essential," said NRECA's acting general manager, Jerry Anderson.

Within a week after the Federal Reserve action, Representative WRIGHT PATMAN, of Texas, chairman of the House Banking and Currency Committee, had called a hearing to quiz the Board on its decision.

Long a foe of tight-money, high-interest rate policies, PATMAN says the Fed is too independent—that the electorate should have more control over the Nation's monetary policies.

PATMAN has introduced a bill in Congress to rectify the Fed's autonomy—a bill which may come up during the session starting this month. If it does, rural electric leaders will be called on to help secure its passage.

The legislation introduced by PATMAN would give Congress, the administration, and the American people—not just the bankers—a voice in setting monetary policies. The bill would accomplish this aim by making the term of the Federal Reserve Board chairman identical to that of the President and by reducing the number of Board members from seven to five and their terms in office from 14 to 5 years.

PATMAN's bill would also require public audits of the Fed system by the General Accounting Office and require that the Board's funds for operation be obtained via the traditional congressional authorization and appropriation route.

PATMAN has noted often how little the country knows about the workings of its own money system. He explains that interest rates are not created and set by some supernatural force; they are set in a back room of the Federal Reserve Bank in New York.

The banker-dominated Fed with its bias for high interest rates has, according to PATMAN, "picked the pockets of the consumer." And, he says, these unnecessarily high premiums on money have "diverted billions of dollars from badly needed programs such as education, area development, water and power resource development, slum clearance and many other worthwhile projects."

Jerry Voorhis, president of the Cooperative League, explains another effect of the Fed's action: It will, he says, "increase the value of money and reduce the value of everything else in our economy."

Who would want to do such a thing?

Again, Voorhis says, the answer is simple: "The people who deal in money, who have money to 'sell' at interest, who indeed have the privilege of creating new money and drawing upon the credit of the entire Nation and all its people to give value to that newly created money."

Those people, of course, are the commercial banks and the Federal Reserve Banks.

PATMAN has the same goal as the consumer organizations—to put a damper on the practice whereby banks, through the Federal Reserve, can vote to increase their own income, in this case by 10 percent without Congress, the administration or the electorate having any say about it.

The December interest rate increase was but another example of the Fed's independence. President Johnson said he regretted

the action—that he wished the Board had waited until the 1966 budget estimate was calculated before the decision was made—but could do no more since Board members cannot be fired.

A Harvard economist was one witness who offered suggestions which would unite the President's hands in the setting of the Nation's banking policies.

Testifying before a special committee hearing called by PATMAN, economist John Kenneth Galbraith said the President should be given "ultimate authority" over the discount rate so there can be coordination of the Nation's economic policy. This authority could be given, Galbraith said, by a simple resolution from Congress.

There also appears to be growing support among monetary experts for proposals to fight inflation through increasing reserve requirements in banks rather than through increased interest rates. Proponents of boosting reserve requirements say this would reduce the ability of banks to create money, thereby lessening chances for inflation.

Whatever the solution, there is a wide band of public opposition to increasing interest rates as a method to cure anything except a banker's slim pocketbook—and that would indeed be a rarity.

What is known is that Federal Reserve Board policies were a major contributor to the agricultural depression in the 1920's (from which it did not recover until World War II) and that those same restrictive policies choked off full recoveries from recessions in the 1950's.

NRECA's Anderson put it this way in a telegram to PATMAN:

"We deplore a high interest rate policy as a major cause of unemployment and as an unwarranted burden upon the homeowners, businessmen and consumers of America.

"We are hopeful that the public hearings arranged by your committee will lead to increased public awareness and enlightenment on this vital issue and will focus the attention of Congress on the need for early reforms of the Nation's monetary procedures."

For rural electric leaders, this session of Congress would be none too early for congressional action to "reform the Fed."

In its December 31, 1965, issue, the Washington newsletter of the National Farmers Union carries another important article entitled "Criticism of Federal Reserve Board's Tight Money Policy Continues To Mount."

The article follows:

**CRITICISM OF FEDERAL RESERVE BOARD'S TIGHT MONEY POLICY CONTINUES TO MOUNT**

Recent tighter money actions by the Federal Reserve Board are continuing to receive criticism from leading economists, Congressmen and even from three members of the Fed itself.

Farmers Union Vice President Glenn J. Talbott had attacked the action as unwarranted, unnecessary and mischievous.

The three FRB dissenters—George W. Mitchell, Sherman J. Maisel, and J. L. Robertson—objected to a policy of raising interest rates so as to damp down the economy, at a time when 3 million Americans are unemployed.

FRB Chairman William McC. Martin and three other FRB members launched the new policy on December 3, when they ordered a boost from 4 to 4½ percent in the FRB's "discount rate" to banks. Banks quickly responded by boosting the interest charged to their own customers.

Martin also came under fire for refusing to coordinate money and credit policy with the Johnson administration. At hearings called by Chairman WRIGHT PATMAN, Democrat of Texas, of the Joint Economic Committee of Congress, Martin, conceded he and the FRB majority were bucking the President.

When he tried to get the concurrence of L.B.J. and his top economic aids for the new high-interest move, Martin said, "they did not agree with me." So Martin went ahead anyway.

PATMAN commented: "There is an old Navy saying that the quickest way to sink a ship is to have two captains. I believe this applies even more pronouncedly to our national economy."

The Federal Reserve Act of 1913 sets the FRB up as an independent agency to guide money and credit policy.

However, the Employment Act of 1946, PATMAN pointed out, requires all Federal agencies to coordinate their economic policies to "promote maximum employment, production and purchasing power."

Not only on December 3 but "time and again," PATMAN said, "the Federal Reserve has chosen to ignore this public law and go off on its own."

"Interest rates," PATMAN told Martin, "have gone up about 100 percent since you went in as chairman. You always have one answer—higher interest."

Martin denied this, but said the FRB action was needed now to avert inflation. He described it as "an issue of conscience, responsibility and integrity."

Martin's three dissenting colleagues took a different view. Said Mitchell: "I am not ready to agree that there is no further room for compression of the unemployment rate."

"I would not choke off growth of aggregate demand (through higher interest rates) if it risked committing a million or more workers, many of them young and the most recent products of our educational system, to the dole or to a new category of welfare dependence."

Said Maisel: "I think the action of the (FRB majority was wrong—done at the wrong time, in the wrong way and for the wrong reasons."

"It made the future development of sound full-employment policies more difficult. Unilateral action could only weaken the President's leadership in a critical war period."

I also insert in the RECORD a copy of a telegram from Glenn J. Talbott, vice president of the National Farmers Union:

We congratulate you on your decision to interrogate members of the Federal Reserve Board in regard to the increase of the discount rate from 4 to 4½ percent and the increase in the rate on institutional funds to 5½ percent. With a stroke of the pen the Fed has wiped out the benefits of the farm bill. Contrary to statements of Martin and members of the financial community, the country is not threatened by inflation. Wholesale price increases have been small, only 3½ percent since 1957-59. Western European countries have had rises of 10 and 12 percent in the same period of almost full employment.

We urge a full and complete investigation of the policies of the Federal Reserve Board.

The Texas Farmers Union is among the State organizations which have taken a strong position against high-interest, tight-money policies. An example of the Texas Farmers Union's position is contained in the following resolution adopted by the delegates to the organization's annual convention in Abilene, Tex., November 6, 1965:

#### MONETARY POLICIES

The policies of the Federal Reserve Board continue to foster high interest rates and tight money. Total farm debt is the highest in the history of the United States. With credit needs of farmers and small business generally expected to increase still further

in the years ahead, the monetary policy of our Government should put priority on low-cost credit and ample loan funds.

The Farmers Home Administration, the Farm Credit Administration, and the Rural Electric Administration are performing vitally needed credit services to agriculture and are worthy of support. Except for REA, however, interest rates are too high and loans too restrictive. We are fully in support of the efforts of Congressman WRIGHT PATMAN, chairman of the House Banking and Currency Committee, to draft legislation to give Congress a voice in monetary policy now in almost complete control of the Federal Reserve Board.

#### PUBLIC REACTION AGAINST INTEREST RATE INCREASES

Mr. HUNGATE. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. PATMAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. PATMAN. Mr. Speaker, Federal Reserve Board's action raising interest rates on December 3 shocked the entire Nation.

The people were appalled at the ability of a bare majority of the Federal Reserve to completely thumb its nose at the President and to take action to slow down or destroy much of the Great Society program.

Much of the dismay and deep concern over the Federal Reserve's arrogant action was reflected in the Nation's press. Many columnists spoke out eloquently against the action. In particular, I commend to my colleagues the following articles from the Washington Post and the New York Times:

[From the Washington (D.C.) Post, Dec. 12, 1965]

FED INDEPENDENCE WORRIED J.F.K.

(By Hobart Rowen)

At the Democratic Convention in Los Angeles in 1960, one question that worried candidate John F. Kennedy's advisers was how can we handle Federal Reserve Chairman William McChesney Martin if he balks at the New Frontier program?

Inasmuch as the Eisenhower years had been dominated by Martin's tight money policy, the Kennedy men assumed that some drastic measures might be in order.

With the brashness of inexperience, some of the Kennedy "mafia" suggested that Martin be fired, outright. But others in the brain trust evolved a more complicated and theoretically more practical plan for a super coordinating committee, similar to the National Security Council, which would establish a uniform economic policy.

When publicized, the plan agitated the banking and business communities. But Mr. Kennedy abandoned this awkward scheme for the simple reason that Martin did not try to run a course independent of the White House. Like Mr. Kennedy's own economic advisers, Martin was concerned by heavy unemployment and idle plants.

And while he never fostered a money policy as easy as Representative WRIGHT PATMAN would have desired he didn't return to the automatic tight money posture of the Eisenhower days. So no club was needed, and Martin joined amiably with three other key presidential advisers in what has become known as the "quadriad."

All of this is relevant because the divided course that Mr. Kennedy's advisers feared in 1960 has finally come to pass—5 years later—under President Johnson. The President, although mindful of economic factors that hold an inflationary potential, doesn't think the time has come to put on the brakes.

Martin, on the other hand, convinced by the opposite analysis, has moved to tighten money, so as to head off inflationary prices "before they have become full blown and the damage has been done."

The upshot is that a coordinated monetary and fiscal policy, so successful since 1961, is shattered—for the moment, anyway.

No one yet knows what really will happen, because much will depend on just how much credit the Federal Reserve feeds into the banking system.

The Fed can tighten up the supply of money by selling securities on the open market. That drains money from the banks—money they otherwise could lend.

The Fed, on the other hand, can increase the money supply by buying securities, thus pumping cash into the banks.

When the Fed raised the discount rate last weekend it underscored this part of its announcement: "The action contemplates, however, the continued provision of additional reserves to the banking system, in amounts sufficient to meet seasonal pressures as well as the credit needs of an expanding economy without promoting inflationary pressures."

This has been confusing to some people. If the Fed's game is to slow down the economy, why does it raise interest rates on the one hand, but insist that it will provide additional reserves? It seems, at first blush, to be a meaningless exercise in which the amount of money remains the same—but at higher cost to everyone, to the pleasure of no one but the banks.

The rationale of the majority at the Fed is that the higher rate will choke off some marginal plans for business expansion. But in view of the escalating Vietnam war, the relatively small increase in the cost of borrowing isn't likely to deter many businesses.

A spot check of economists in Washington doesn't suggest that the new forecast for skyrocketing plant and equipment spending next year will be seriously affected by higher interest rates.

One possible explanation for the seeming paradox is that bank reserves will not in reality be as ample as the Fed has promised. The level of additional credit needed for "an expanding economy" will probably be less by Martin's definition than it would be by the administration's definition.

This is the problem that the President will have to consider as he resumes the 5-year-old search for ways to box Martin in. I suggest his best route is through a gradual realignment of the Federal Reserve structure.

He might, for example, recall the 1961 recommendation of the highly respected Commission on Money and Credit, which suggested cutting the number of FRB Governors from seven to five, and limiting the term of each from 14 to 10 years, with one expiring every odd-numbered year. This would give a President a steady stream of his own appointments to the Board.

The 2-year gap which now exists between the beginning of a presidential term and the 4-year term of the FRB Chairman should also be eliminated. (Martin himself agrees that it was only a legislative accident that failed to synchronize these terms.) Whatever the mechanics, ways must be found to coordinate the role of the central bank with the rest of the Government. Any other course makes no sense.

[From the New York Times, Dec. 13, 1965]

#### WHAT ROLE FOR THE FEDERAL RESERVE?

(By M. J. Rossant)

If past performance is a guide, the Joint Economic Committee's new investigation of Federal Reserve-Administration relations will get bogged down debating the pros and cons of the latest policy decision of the money managers, neglecting the far more important issue of whether the latter should be making their decisions independently.

Money, of course, cannot manage itself; so the critical question is who should do the managing. At the moment the independent Federal Reserve has both critics and defenders. There are some who disagree with what the money managers did but, like Voltaire, defend its right to have done it. There are others who think it did the right thing but deplore its acting unilaterally.

#### ROLE OF THE MANAGERS

The champions of independence for the Federal Reserve argue that this is the only way to insure sound policy. Encouraged by its decision to part company at long last with the Johnson administration, they point out that continued coordination would clearly have been unsound. In this view, the money managers must be like judges, isolated from politicians and political pressures in carrying out their responsibilities.

The Federal Reserve is a creation of Congress, but it has the right to act independently of both the legislative and executive branches. Yet its control over the Nation's money supply—its ability to create or extinguish credit—is so powerful an economic weapon that it may well be too important to be left to the money managers.

This was not the case in the days when the Federal Reserve was first established. Then it was responsible only for price stabilization. Then too the executive branch took the view that it had no business interfering with the vagaries of the business cycle.

Today, the Federal Reserve is committed to promote full employment and economic expansion in addition to price stability. What is more, the White House has responsibility, as well as formidable weapons of its own, for maintaining prosperity. So there is a strong case for integrating the flexible restraint of monetary policy with the blunter weapons of fiscal policy.

Some critics in fact call for complete coordination. They do not think that the Federal Reserve should be considered as a supreme court of economic policy, with what amounts to a veto power over the party in power. Instead, they argue that the President, who is charged with formulating overall economic policy and is answerable to the electorate, must not be thwarted by a small group of men shielded from the public.

During his long reign as head of the Federal Reserve, William McChesney Martin, Jr., has generally been prepared to compromise, aware that the adoption of too independent a position, might endanger his freedom of action. He has often sounded as if he were at odds with the President, but his bark has been far worse than his bite. In failing to act as independently as he talked, Mr. Martin has guaranteed his own survival—and that of the Federal Reserve. And precisely because he has been accommodating, it is probable that his present falling out of step, while dramatic, may be only temporary.

#### THE BANK'S POWER

Even if it is, and even if it was the right thing to do, the Federal Reserve has demonstrated that it has the means to throw a monkey wrench into the plans of the White House. Many who are not on the Johnson administration's side, question whether such freedom is desirable in a democracy.

The most potent argument against giving increased authority to the executive branch is

that it would encourage inflation as it did after World War II, when the money managers increased the money supply at the behest of the Treasury.

But the Federal Reserve then was under no compulsion to do so. It could have refused to cooperate, as it finally did. Indeed there seems to be a far greater risk of swinging from defiance to subservience under its present status than if the Federal Reserve had a closer relationship with the White House—by permitting the President to choose his own chairman and by setting up an economic general staff with a place for the Federal Reserve.

#### POLITICAL CONTROL

With such an arrangement, the money managers might be less inclined to disruptive talk and more to effective action. If they were a recognized part of an economic general staff, they might be more successful in making their presence felt in the inner circle of policymaking.

Some authorities believe that political control might result in greater freedom for the Federal Reserve as well as smoother coordination of economic policies. But if it did not, if limiting its independence resulted in mere subservience on the part of the Federal Reserve and unsound policies for the economy, the Nation's voters would at least be able to fix the blame.

[From the Washington (D.C.) Post, Dec. 7, 1965]

#### THE FED JUMPS THE GUN

By raising the discount rate in advance of a scheduled meeting of the Government's policymaking quadripartite, the Federal Reserve Board has underscored the danger of investing power over monetary policy in an independent agency.

There are legitimate grounds for differences of opinion over the need for less stimulative policies, as Treasury Secretary Fowler pointed out in his New Orleans speech. But inflationary pressures can be combated by fiscal as well as monetary measures. What the Fed has done with its gun-jumping decision, taken in advance of a thorough analysis of next year's budget, is to deprive the administration of the freedom that it requires in order to conduct an effective economic policy.

If one could accept at face value the Board's claim that it will continue to supply the banking system with sufficient reserves to meet the needs of an expanding economy, the boost in the discount rate and the upward drift of interest rates in the money markets might not be so serious. But the day-to-day implementation of Fed policy is in the hands of the Federal Open Market Committee (FOMC), a body that includes five presidents of the District Federal Reserve banks as well as the seven Governors of the Federal Reserve Board. Since the bank presidents are insulated from the authority of both Congress and the White House, the FOMC is free to pursue restrictive policies that may be sharply at variance with the aims of the administration.

President Johnson will be able to redress the balance on the Federal Reserve Board when the term of Vice Chairman Balderston expires in January, and a second opportunity will come in 2 years with the expiration of the partial term of Governor Daane. But these moves may not affect the unbridled power of the FOMC.

If Congress is to discharge its constitutional responsibility for controlling the money supply, if monetary policies are to be coordinated with the other economic policies of the Federal Government, the following reforms will be needed. The term of the Chairman of the Federal Reserve Board should be made coterminous with that of the President, a proposal that has been endorsed

by Chairman Martin. The inordinately long, 14-year terms of the Governors should be reduced to 5. And, finally, responsiveness to the wishes of the electorate should be insured by limiting the membership of the FOMC to the seven appointed Governors of the Federal Reserve Board.

Congress would never entertain the notion of delegating its fiscal power to an independent agency, and by the same logic it should not surrender its control over the money supply. Power over monetary policy, for better or worse, should be invested with the incumbent administration. The Board's action, the end of which is not yet in sight, exposes the pitfalls of an anomalous system in which the Presidents' ability to shape economic policy is sharply attenuated.

[From the Washington (D.C.) Post, Dec. 8, 1965]

#### FOXES IN L.B.J.'S HENHOUSE

(By Rowland Evans and Robert Novak)

Soon after Lyndon B. Johnson succeeded to the Presidency, he received this private advice from one of his most influential advisers: No domestic problem will be tougher than controlling Bill Martin.

The full impact of this prophecy fell last weekend like a sledgehammer.

The decision of the Federal Reserve Board, under Chairman William McChesney Martin, to boost interest rates was President Johnson's worst political setback. Not only does further tightening of money threaten economic expansion, but the bold defiance of his wishes is a severe blow to the President's prestige.

This question then arises: Why could a President who tamed Congress, big labor and big business not tame Martin?

The answer: The cherished independence of the Federal Reserve Bank is all but unassailable. Moreover, Treasury Secretary Henry H. Fowler's year-long strategy of appeasing Martin by avoiding an open rupture all these months was perhaps less successful than a frontal assault on the Fed.

The Federal Reserve Board—acting as the national bankers' bank—is a deviation in the otherwise symmetrical American system. Martin, a nonpolitician with rigidly orthodox economic views, need not heed the advice of the White House.

But Martin does have his own constituency: The Nation's commercial bankers—or more specifically, the New York banking community. Martin has privately informed administration officials of the increasing pressure on him to tighten credit. Its source: Big bankers, obsessed with the bugaboo of inflation.

This banker's mentality was aggressively articulated to Martin by Alfred Hayes, president of the Federal Reserve Bank of New York. Financial insiders regard Hayes—not Martin—as the grey eminence of the interest rate hike. And Hayes, an unabashed tight-money man, is concerned first with banking—not the overall economic results of higher interest rates, such as a possible rise in unemployment.

The Manhattan bankers' influence over the Fed is direct control over Washington's decision affecting their own pocketbook. In the opinion of one L.B.J. adviser, this means the foxes are guarding the henhouse.

Nevertheless, despite Martin's clear legal power, it may be argued that administration strategy in dealing with Martin only emboldened him.

From the time he took over at the Treasury last March, Fowler took the soft approach. Last spring he tacitly acquiesced in Martin's reduction of bank free reserves—money held in excess of money loaned out (thus tightening the money supply). Treasury officials privately told Democratic Senators they had

no intention of interfering with the Fed's regulation of the money supply.

As recently as his November 8 appearance at the Economic Club of New York City, Fowler defended—to ringing applause of the conservative-oriented audience—the Fed's independence and noted that he had been criticized by Democratic Senators for that stand.

All the while, Fowler privately urged Martin to postpone any decision on interest rates until the President's budget was released early next year. By that time, Mr. Johnson would be able to change the ideological complexion of the Reserve Board by filling a vacancy coming up January 1.

Martin apparently decided early last week to defy the President and Treasury. Although specifically asked to call the President before such action, he did not call. Rather, he was determined to raise interest rates before a scheduled meeting at the LBJ Ranch last Monday so that he would not have to say "no" to the President's personal appeal.

As a result, Martin informed Fowler last Friday morning at the White House that he had made up his mind. It was too late to stop him. The Federal Reserve Board voted the increase that afternoon.

Some critics of Martin hold that since there was no conceivable way for the President or Fowler to stop the Fed's action, they should have secretly agreed to the increase effective early next year, thus avoiding the political—though not the economic—defeat.

But that avoids the real issue. The Martin affair again raises the question whether this vital economic henhouse should be guarded by the banking foxes of New York—or by the public's elected officials.

#### VIETNAM

Mr. HUNGATE. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. BROWN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. BROWN of California. Mr. Speaker, the President has today announced the resumption of bombing of North Vietnam. Many of my colleagues have risen to praise this decision. The leadership from both sides of the aisle here in the House have pledged their support to the President. Some voices are raised to call for more than just a resumption of the bombing—they call for a vast increase in the level of bombing, for the hitting of Hanoi and Haiphong, and for the use of more powerful non-conventional weapons.

From all sides we hear it said that "The pause was a failure—the other side is not interested in peace." I do not wish to debate this point at this time. But those who are honest will admit that the previous 11 months of bombing was a failure. That 11-month period saw the United States forced to multiply its ground forces many times over merely to hold its own in South Vietnam. That 11 months saw a substantial increase in the fighting forces of the National Liberation Front, both from infiltration from the north and from local recruitment in the south. That 11 months saw a strengthening of the will to resist the bombing in North Vietnam, and an increase in the assistance coming from

other countries. More than anything else, that 11 months saw the end of any fiction that we were merely helping support and maintain a friendly government, and made it clear that the United States was waging an American war to show the world that the American mandate runs wherever the President of the United States says it runs, including the mainland of Asia.

To resume the bombing, after this 11 months of failure to achieve any constructive results with such a policy, demonstrates again and more forcefully the sterility of the U.S. position in Vietnam.

I feel the deepest sorrow for the President, that he feels compelled within himself to take this course, for I know that he would do what was right. I feel even more sorrow for the American people, and for the people of Vietnam. There comes a point of no return in the course of events, and we may well have reached that point in Asia. We may now be committed to a course leading to the death of millions and the destruction of any hope for a new order of law and justice in the world in our lifetimes.

I do not believe in the imminent arrival of an ideal world. I do not think that the time has come in human history when force as an element in human relationships can be eliminated. But I know as certainly as I know anything in this life that the United States cannot achieve any worthwhile goal from the course it is pursuing in Vietnam. It can and will bring untold suffering to all of Vietnam. It can and probably will deny South Vietnam to communism, if it wishes to occupy that country with hundreds of thousands of troops for generations to come. It can and probably will spend \$50 or \$100 billion to do these things—billions that could be used to solve the problems of this country and the world, instead of making them worse.

And in doing these things we will weaken democracy and strengthen the totalitarian tendencies of our own society, we will condemn American imperialism in the eyes of all Asia, we will strengthen the ideological power of communism around the world, we will weaken still further the ties of the western alliance.

Mr. Speaker, for these reasons I cannot join in the chorus of praise we have heard here today for the President's decision to resume the bombing of North Vietnam. I think that he has made a tragic mistake. And I think that time is running out for the President to correct the mistakes this country has made in Vietnam over the past 15 years.

#### SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. LAIRD (at the request of Mr. HALL), for 20 minutes, today, and to revise and extend his remarks and include extraneous matter.

Mr. HOSMER (at the request of Mr. HALL), for 25 minutes, on Wednesday,

February 2, 1966, and to revise and extend his remarks and include extraneous matter.

#### EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks was granted to:

(The following Members (at the request of Mr. HALL) and to include extraneous matter:)

Mr. PELLY.

Mr. HOSMER.

(The following Member (at the request of Mr. HUNGATE) and to include extraneous matter:)

Mr. MILLER.

#### ADJOURNMENT

Mr. HUNGATE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 41 minutes p.m.), the House adjourned until tomorrow, Tuesday, February 1, 1966, at 12 o'clock noon.

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1956. A letter from the Assistant Secretary for Congressional Relations, Department of State, transmitting a communication relative to the sale of surplus agricultural commodities to the United Arab Republic, pursuant to section 107 of the Agricultural Trade Development and Assistance Act of 1954, as amended; to the Committee on Agriculture.

1957. A letter from the Chairman, Joint Committee on Internal Revenue Taxation, transmitting a report covering refunds and credits of internal revenue taxes for the fiscal year ended June 30, 1963, pursuant to section 6405 of the Internal Revenue Code of 1954 (H. Doc. No. 370); to the Committee on Ways and Means and ordered to be printed.

1958. A letter from the Deputy Assistant Secretary of Defense, Properties and Installations, transmitting notification of the location, nature, and estimated cost of an additional facilities project to be undertaken for the Marine Corps Reserve utilizing authorization contained in section 701(2) of Public Law 88-390, pursuant to 10 U.S.C. 2233a(1); to the Committee on Armed Services.

1959. A letter from the Deputy Assistant Secretary of Defense (Properties and Installations) transmitting a report on military construction, Naval and Marine Corps Reserves construction authorization under Public Law 89-188, pursuant to 10 U.S.C. 2233a(1); to the Committee on Armed Services.

1960. A letter from the Under Secretary of the Navy, transmitting a report on the NROTC flight instruction program, pursuant to section 2110(b) of title 10, United States Code; to the Committee on Armed Services.

1961. A letter from the Director, Selective Service System, transmitting the 15th annual report for the fiscal year ended June 30, 1965, pursuant to section 10(g) of the Universal Military Training and Service Act, as amended; to the Committee on Armed Services.

1962. A letter from the Chairman pro tempore of the District of Columbia Armory Board, transmitting the eighth annual re-

port and financial statements of the Board's operation of the District of Columbia Stadium, and the 18th annual report and financial statements of the Board's operation of the District of Columbia National Guard Armory for the fiscal year ended June 30, 1965, pursuant to section 10 of the Armory Board Act (Public Law No. 80-605), as amended, and section 10 of the District of Columbia Stadium Act of 1957 (Public Law No. 85-300), as amended; to the Committee on the District of Columbia.

1963. A letter from the president and chairman of the board, Potomac Electric Power Co., transmitting a copy of their balance sheet as of December 31, 1965, pursuant to 37 Stat. 979; to the Committee on District of Columbia.

1964. A letter from the Secretary of State, transmitting the interim report of the International Joint Commission, United States and Canada, on the pollution of Lake Erie, Lake Ontario, and the international section of the St. Lawrence River; to the Committee on Foreign Affairs.

1965. A letter from the Secretary of the Export-Import Bank of Washington, transmitting a report on the amount of Export-Import Bank insurance and guarantees on U.S. exports to Yugoslavia for the month of December 1965, pursuant to title II of the Foreign Assistance and Related Agencies Appropriation Act of 1966 and the presidential determination of February 4, 1964; to the Committee on Foreign Affairs.

1966. A letter from the Administrator, General Services Administration, transmitting the annual report on the activities and progress for the fiscal year ended June 30, 1965; to the Committee on Government Operations.

1967. A letter from the Chief Commissioner of the Indian Claims Commission, transmitting a report on the proceedings of docket 12, Chief William Fuller, et al., on behalf and representing an identifiable group of the Indians of California, known as the *Federated Indians of California, petitioners v. the United States of America, defendant*, pursuant to provisions of section 21 of the Indian Claims Commission Act of August 13, 1946 (60 Stat. 1055; 25 U.S.C. 70t); to the Committee on Interior and Insular Affairs.

1968. A letter from the Chief Commissioner of the Indian Claims Commission, transmitting a report on the proceeding of docket 162, *The Yakima Tribe, petitioner v. The United States of America, defendant*, pursuant to provisions of section 21 of the Indian Claims Commission Act of August 13, 1946 (60 Stat. 1055; 25 U.S.C. 70t); to the Committee on Interior and Insular Affairs.

1969. A letter from the Chief Commissioner of the Indian Claims Commission, transmitting a report on the proceeding of docket 47-A, *The Yakima Tribe of Indians, petitioners v. The United States of America, defendant*, pursuant to provisions of section 21 of the Indian Claims Commission Act of August 13, 1946 (60 Stat. 1055; 25 U.S.C. 70t); to the Committee on Interior and Insular Affairs.

1970. A letter from the Chief Commissioner of the Indian Claims Commission, transmitting a report on the proceedings of docket No. 124 and docket No. 67 (consolidated) and docket Nos. 124, 314, and 337 consolidated therewith, intervenors docket Nos. 15-D, 29-B, 89, 311, and 315, the Miami Tribe of Oklahoma also known as the *Miami Tribe, and Harley T. Palmer, Frank C. Pooler and David Leonard, as representatives of the Miami Tribe and all of the members thereof, petitioners v. The United States of America, defendant*, pursuant to provisions of section 21 of the Indian Claims Commission Act of August 13, 1946 (60 Stat. 1055; U.S.C. 70t); to the Committee on Interior and Insular Affairs.

1971. A letter from the Chief Commissioner of the Indian Claims Commission,

transmitting a report on proceedings of docket 324, *Ponca Tribe of Oklahoma, petitioners, v. The United States of America, defendant*, pursuant to provisions of section 21 of the Indian Claims Commission Act of August 13, 1946 (60 Stat. 1055; 25 U.S.C. 70t); to the Committee on Interior and Insular Affairs.

1972. A letter from the Chairman of the Federal Maritime Commission, transmitting a draft of proposed legislation entitled "To Amend the Shipping Act, 1916"; to the Committee on Merchant Marine and Fisheries.

1973. A letter from the Chairman of the Federal Maritime Commission, transmitting a draft of proposed legislation entitled "To Amend the Intercoastal Shipping Act, 1933", to permit the Commission to require the carriers in the offshore domestic trade to keep uniform accounts and permit Commission representatives to inspect the accounts and records of such carriers; to the Committee on Merchant Marine and Fisheries.

1974. A letter from the Postmaster General, transmitting a report on the estimated amount of the losses or costs (or percentage of costs) incurred by the postal service in the performance of public services during the current fiscal year, pursuant to section 201 of Public Law 87-793, approved October 11, 1962; to the Committee on Post Office and Civil Service.

1975. A letter from the Director, Administrative Office of the U.S. Courts, transmitting a report on positions in grades GS-16, 17, and 18, pursuant to section 1105a of title 5 of the United States Code; to the Committee on Post Office and Civil Service.

1976. A letter from the Assistant Administrator for Legislative Affairs for the National Aeronautics and Space Administration, transmitting a report on positions established during calendar year 1965, in accordance with section 1581, title 10, United States Code, pursuant to section 1582, title 10, United States Code; to the Committee on Post Office and Civil Service.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BINGHAM:

H.R. 12407. A bill to amend the Urban Mass Transportation Act of 1964 to authorize certain grants to assure adequate commuter service in urban areas, and for other purposes; to the Committee on Banking and Currency.

H.R. 12408. A bill to amend section 13a of the Interstate Commerce Act, relating to the discontinuance or change of certain operations or services of common carriers by rail, in order to require the Interstate Commerce Commission to give full consideration to all financial assistance available before permitting any such discontinuance or change; to the Committee on Interstate and Foreign Commerce.

By Mr. BROWN of California:

H.R. 12409. A bill to amend the Federal Firearms Act; to the Committee on Ways and Means.

By Mr. TEAGUE of Texas:

H.R. 12410. A bill to enhance the benefits of service in the Armed Forces of the United States and further extend the benefits of higher education by providing a broad program of educational benefits for veterans of service after January 31, 1955, and certain members of the Armed Forces; and for other purposes; to the Committee on Veterans' Affairs.

By Mr. FRIEDEL:

H.R. 12411. A bill to amend the Public Health Service Act to provide for the establishment of a National Eye Institute in the National Institutes of Health; to the Committee on Interstate and Foreign Commerce.

By Mr. ICHORD:

H.R. 12412. A bill to authorize the release of platinum from the national stockpile, and for other purposes; to the Committee on Armed Services.

By Mr. PERKINS:

H.R. 12413. A bill to amend title 38 of the United States Code to increase the rates of pension payable to widows of veterans of the Spanish-American War; to the Committee on Veterans' Affairs.

By Mr. BROWN of California:

H.R. 12414. A bill to enhance the benefits of service in the Armed Forces of the United States and further extend the benefits of higher education by providing a broad program of educational benefits for veterans of service after January 31, 1955, and certain members of the Armed Forces; and for other purposes; to the Committee on Veterans' Affairs.

By Mr. DORN:

H.R. 12415. A bill to enhance the benefits of service in the Armed Forces of the United States and further extend the benefits of higher education by providing a broad program of educational benefits for veterans of service after January 31, 1955, and certain members of the Armed Forces; and for other purposes; to the Committee on Veterans' Affairs.

By Mr. RONCALIO:

H.R. 12416. A bill to enhance the benefits of service in the Armed Forces of the United States and further extend the benefits of higher education by providing a broad program of educational benefits for veterans of service after January 31, 1955, and certain members of the Armed Forces; and for other purposes; to the Committee on Veterans' Affairs.

By Mr. MORTON:

H.J. Res. 817. Joint resolution to establish an Atlantic Union delegation; to the Committee on Foreign Affairs.

## MEMORIALS

Under clause 4 of rule XXII,

390. The SPEAKER presented a memorial of the Legislature of the State of Nevada, relative to supporting the service men and women in Vietnam, which was referred to the Committee on Armed Services.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. COLLIER:

H.R. 12417. A bill for the relief of Ioannis Kiriazis; to the Committee on the Judiciary.

## SENATE

MONDAY, JANUARY 31, 1966

(Legislative day of Wednesday, January 26, 1966)

The Senate met at 10 o'clock a.m., on the expiration of the recess, and was called to order by the Acting President pro tempore (Mr. METCALF).

Rev. Edward B. Lewis, pastor, Capitol Hill Methodist Church, Washington, D.C., offered the following prayer:

Dear Lord of all, we recognize today that the peace we seek for the world is beyond our understanding. Thus, we need Thy help.

We have not consistently followed the path of peace. Now we find ourselves

with others in the world in the wilderness of bewilderment in finding again that path. We come to Thee in prayer asking for light in darkness and courage in the principle of freedom and justice for all men.

We pray for Thy guiding and staying hand in the deliberations and decisions of our President, his Cabinet, his advisers, and especially this session of the Senate of the United States on national and international issues.

Give to our leaders hope that will keep alive negotiations for peace, faith that there is a way, and love for God and mankind that will clarify thinking and decision.

We pray in the name of the Creator of life and peace. Amen.

## THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal be considered as read and approved.

Mr. CURTIS. Mr. President, I object. The ACTING PRESIDENT pro tempore. Objection is heard.

## LIMITATION ON STATEMENTS DURING TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a morning hour, and that statements therein be limited to 3 minutes.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Montana?

Mr. CURTIS. Mr. President—  
The ACTING PRESIDENT pro tempore. Is there objection?

## THE JOURNAL

Mr. MANSFIELD. Mr. President, I renew my request and ask unanimous consent that the Journal be considered as read and approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## ORDER OF BUSINESS

Mr. AIKEN. Mr. President—  
The ACTING PRESIDENT pro tempore. The Senator from Vermont.

Mr. MANSFIELD. Mr. President, will the Senator from Vermont yield, without losing his right to the floor, so that I may ask unanimous consent, with the concurrence of the distinguished acting minority leader, the Senator from Nebraska [Mr. CURTIS], to suggest a recess until 10:30 o'clock, at which time the Senator from Vermont would have the floor.

Mr. AIKEN. Mr. President, I intended to ask if I might proceed for 7 or 8 minutes for a discussion on current events after the Senate reconvened. I make that request.

The ACTING PRESIDENT pro tempore. Without objection, the Senator from Vermont will have the floor for 7 or 8 minutes when the Senate reconvenes.

Mr. MANSFIELD. That will be for 7 or 8 minutes.

Mr. CURTIS. Mr. President, reserving the right to object—

Mr. MANSFIELD. We shall return after the recess, because the Senator from Vermont has the floor; then we shall have a period for the transaction of routine business.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Montana?

Mr. CURTIS. Mr. President, reserving the right to object, may I ask the distinguished majority leader what the plans are for the remainder of the day?

Mr. MANSFIELD. It is planned to have a period for the transaction of routine business, and then, if any Senator wishes to speak on the Taft-Hartley Act, section 14(b), or any other subject, he may do so. I anticipate that the session will not be very long today.

Mr. CURTIS. Mr. President, I thank the distinguished majority leader. I am thinking of the many employees in the Capitol who may have difficulty getting home this evening.

Mr. President, I withdraw my objection to the request of the Senator from Montana.

Mr. ERVIN. Mr. President, do I correctly understand that the request for the morning hour is merely for the purpose of making statements?

Mr. MANSFIELD. To have a morning hour for the purpose of allowing Senators to make speeches, and matters of that kind.

Mr. ERVIN. And that no motions will be made?

Mr. MANSFIELD. The Senator is correct.

## ROBERT G. THOMPSON

Mr. HART. Mr. President, will the distinguished Senator from Vermont yield to me for a moment, to permit me to insert an editorial in the RECORD?

Mr. AIKEN. Mr. President, without losing my right to the floor, I am glad to yield to the Senator from Michigan for the purpose of inserting an editorial in the RECORD.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HART. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial entitled, "Beyond Death," published in yesterday's Washington Post.

I underscore nothing in the editorial; it speaks eloquently and to the point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

### BEYOND DEATH

When mortal men consider their own frailty and folly, they may well conclude that death ought to bring its own absolution for even the sorriest of sins. The pursuit of punishment beyond the grave is mere vindictiveness. We think the majesty of the United States is marred by the decision of the Defense Department to forbid the interment of Robert G. Thompson's ashes in Arlington National Cemetery.

Good men and bad men alike lie at rest in Arlington. Men of every faith—and of no faith—slumber there. In this cemetery, created on the estate of Robert E. Lee, there is, as indeed there should be, a Confederate